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23 September 1985

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INTER-AMERICAN AFFAIRS

TEAM FROM GUYANA DISCUSSING TRADE WITH TRINIDAD-TOBAGO

Georgetown NEW NATION in English 21 Jul 85 p 8

[Text]

A team of Guyanese officials is in the twin-island republic of Trinidad and Tobago conducting investigations on the possibility of Guyana selling a wider range of products to Trinidad.

Trinidad is currently Guyana's sole supplier of oil on which the national industrial machinery depends.

Leader of the People's National Congress, Cde Forbes Burnham, in a presentation to the just-concluded General Council meeting of the Party said that Trinidad also has a team of officials working with their Guyanese counterparts to examine the possibility of increased trade.

Because of the various trading patterns existing within Caricom and because of the colonial heritage every Caricom country still imports some commodities that could be found in other Caricom

states, from extra-region sources.

Trinidad currently imports all its rice from Guyana. However, as was noted recently, the amount of rice sold to Trinidad cannot offset the cost of oil Guyana imports from Trinidad with the result that there is an increasing deficit.

Trinidad needs, inter alia, prefabricated houses, wallaba poles for utility purposes, fresh fruit for the manufacture of fruit juices and packing crates all of which can be supplied by Guyana.

During his General Council presentation Cde Burnham charged those responsible for planning the national economy and for executing those plans with examining the production of those things that could be exported to other Caricom member-states, including Trinidad.

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ARGENTINA

NEW COUNCIL TO BECOME POWERFUL POLITICAL INSTRUMENT

Buenos Aires SOMOS in Spanish 5 Jul 85 p 11

[Article by Luis F. Torres, Andres R. Alcaraz and Eduardo V. Tuculet; passages enclosed in slantlines printed in italics]

[Excerpts] Future Revitalization

The Reconstruction and Modernization Council would be the instrument to start up the /denationalization of growth/ that Alfonsin announced. It was thought that it would function as an advisory organ of the Executive Branch. However, Daniel Larriqueta, undersecretary of the presidency, is studying the idea of giving it more decision-making power. The first problem that arises is that special legislation is necessary. (Without it, the supervisory organisms of the state could impugn its functioning.) However, it can remain tied up in Congress which must approve it.

The make-up of that council is still under study although Alfonsin asked for more speed. Sources close to the president said that the minister of economy, minister of labor, minister of interior and minister of defense must be on it. The participation of the secretaries general of the presidency, planning and the Banco Central was being analyzed. There was also discussion on whether business and union leaders would be asked to join the directorate of the council.

The crucial point of the formation of this organism is the appointment of its head who would act as a delegate of the president. The enormous political weight this secretary would have frightens many government men. It would be a political letter of introduction for anyone who is thinking about the November parliamentary elections.

The position is as important as the function it would carry out. An in-depth reshaping of the public sector has already been mentioned. The other great objective of /denationalization of growth/ is efficiency.

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CSO: 3348/820

ARGENTINA

OBSTACLES FORESEEN IN GOVERNMENT'S PRIVATIZATION EFFORTS

Buenos Aires CLARIN in Spanish 7 Jul 85 p 22

[Article by Antonio Ambrosini; passages enclosed in slantlines printed in boldface]

[Text] For several months now, the administration has been reiterating its determination to transfer a good part of the 500-odd state-run enterprises to the private sector. President Alfonsin himself claimed that "everything that needs to be privatized will be privatized." The commission on the privatization of corporations, enterprises, establishments and productive holdings, which was created by Decree 414/84 and is headed by German Lopez, has already submitted two voluminous reports. They contain an extensive survey and legal analysis of the state's total participation, with minority and majority stock, in a wide gamut of corporations. /The fact is, however, when it comes time to make decisions, the privatization issue becomes a hot potato that keeps being tossed from hand to hand./

In addition to the political problems—especially in the case of the large public corporations under the jurisdiction of the Ministry of Public Works and Services (MOSP)—/there is a veritable legal hornet's nest that makes any quick and easy solution impossible./

/Today, for a vast number of public companies not only is it difficult to find buyers, but it is even hard to find the appropriate private parties who would be interested in running such companies./ At the Economy Ministry, an alternative for emerging from this mire is being considered: /leasing/ (renting with an option to buy). But in this case as well, an obstacle has arisen: /There is no provision for this legal formula in the present privatization law./

At the same time, the state enterprises have gobbled up a tremendous amount of manpower, and the national government knows very well that the immediate impact of transfer to the private sector would be a substantial reduction of payrolls.

/The alternative proposed by the 414 Commission—that the interested party agree to maintain 80 percent of the personnel—does not appear to be a very attractive selling point./

More Flexibility

One of the prime movers behind the effort to make regulations more flexible so that the state can divest itself of the enterprises is Carlos Lacerca. /The secretary of industry has learned first-hand how difficult it is to interest private entities in purchasing public enterprises. In cases such as Sim, Sasetru, Austral, the Las Palmas sugar mill, Winco, CAP [expansion unknown], Aerochaco, Textil Escalada/ and others, a survey of businessmen revealed their reluctance to part with the sums that these entities could presumably sell for. In most cases, the businessmen were interested only in a few facilities of the factory complexes, or in the possibility of performing services more profitably.

/How can this problem be solved?/ The key lies in a flexible set of regulations, stress Economy Ministry officials, that would give the administration /a wide range of legal instruments to enable private parties to have access to the management of these enterprises—through purchasing, leasing, or the formation of cooperatives, for example./

In yesterday's issue, CLARIN reported on a privatization bill that represents a 180-degree turnabout with respect to the current regulations. This bill was drafted by a group of advisers to the economy minister and the secretary of industry.

How to Privatize

The legislation consists of 18 articles, and calls for /bidding with or without a floor price, public auction with or without a floor price, direct transfer in the case of cooperatives made up of the establishment's employees, and remaining in the same location for at least 5 years, with an option to buy./

To stimulate transfers, adjudications would be /"tied" to loans./ This would be particularly true of /employee cooperatives/ in the enterprises to be turned over to private hands.

These loans would have a /3-year/ term and a grace period of /no less than 6 years./

In all cases, the privatization transactions would take place /"on the condition that the purchaser agree to take on all contractual obligations with the existing dependent employees."/ The state /reinsures/ the businessmen, however, since /"the employees who opted for the diversion [distrato] in accordance with the rights that current legislation grants them, shall be compensated by the national government. In such a case, the sum in question shall be paid them in six equal payments, monthly and consecutive, which can be brought up to date according to the National Institute of Statistics and Census (INDEC)."/

Actually, the success of this or any similar legislation will depend on how successful the president is in overcoming resistance within and outside the government. In more than one case, privatization will unleash a political hurricane.

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ARGENTINA

GRONDONA TERMS INITIAL ECONOMIC CONSENSUS 'SUPERFICIAL'

Buenos Aires SOMOS in Spanish 2 Aug 85 p 21

[Commentary by Mariano Grondona; passages enclosed in slantlines printed in boldface]

[Text] The overwhelming support among Argentines--from 76 to 80 percent, according to the polls--for the Alfonsin-Sourrouille economic plan was certainly a pleasant surprise. But it would not be possible to assess this development properly without admitting, at the same time, that the economic plan will require not just /one/ but /two/ kinds of consensus to be successful.

We consider the first consensus to be that which Alfonsin and Sourrouille have already achieved, the /initial/ consensus. It is the approval that accompanies the beginning of undertakings whose final results are still uncertain. Let us suppose, for example, that a person who suffers from a long and painful illness receives news from his doctor that the disease is operable. The mere prospect of ridding himself of his illness causes the patient to accept the idea of the surgery hopefully. He then gives his /initial/ consent. But this kind of consensus is still incomplete, because what the patient has just accepted is /the idea/ of the operation, not /the operation/ itself. For that reason, it could also be called a /theoretical/ consensus.

On the day of the operation, the patient will have to give the doctor his /real/ consent. By that time, the climate will have changed. The surgery will no longer be a distant, anticipated /blessing,/ as it was the day it was announced, but rather an imminent, dreaded /evil./ It is a /lesser evil,/ to be sure, which the patient will continue to accept if he does not succumb to panic in the face of the frightening ceremony of the men in white, the injections and the masks, culminating in the operating room.

Argentine society, suffering from the grave illness of inflation, gave its initial /theoretical/ consent to Alfonsin-Sourrouille on 14 June. The shock treatment against inflation, economic surgery, seemed to almost all of us at the time to be a reprieve that offered a glimmer of hope. We were finally going to be rid of a scourge that had plagued us for 40 years! From that moment began the countdown between the announcement and the application of the shock treatment. Today, we are approaching the operating room. The time has

come to replace the first consensus, which was spontaneous and to a certain extent superficial, with the second, /real,/ decisive, genuine consensus.

Will we be equal to such a feat? It is one thing to say yes to the idea of economic shock treatment, quite another to say yes to the treatment itself, which goes by the name of /recession./

We have been in an economic slump for 4 years. But our generation has never experienced a true recession, with the consequent high unemployment. We would have to go back perhaps as far as the 1930s to find that. From now on, what we will have is lower and lower public sector wages and higher and higher private sector unemployment.

To give the government the /second consent,/ Argentine society will have to fulfill two requirements. One is that it be mature enough to realize that although the economic shock treatment is not a /blessing/ as we might have supposed on 14 June but rather an /evil/ that will hurt terribly, it is at any rate a /lesser evil,/ much preferable to the /greater evil/ of inflation. The other requirement is that we be convinced that the team of economists who are leading us through this ordeal will not make us suffer unnecessarily, that the pain and trouble of the operation will be kept to a minimum thanks to the dexterity of the surgeons.

Obviously, while the first condition is up to us, the second is up to the government. The experts who surround Sourrouille are correct in rejecting as illusory or demagogic the proposals that call for an immediate reactivation. It is impossible to cure inflation without a dose of recession. But the economic team is not incapable of pinpointing reactivation target areas that can serve to cushion the shock of recession. Petroleum, agriculture and telephones are the sectors that come to mind.

Those who demand /reactivation now/ are really using the wrong term. The term /reactivation/ is associated with a belief Argentines have long held: that the economic problem can be solved by stepping up activity once again in the preexisting industrial apparatus by paying high wages to guarantee a healthy domestic market. This hypothesis overlooks the fact that even if reactivation could be achieved, it would only ensure full employment of installed capacity; it would not guarantee expansion, that is, /growth./ Our task, of course, is not only to reactivate our economy, but also to grow. Anyone who proposes that we reactivate must also assume that what we are to reactivate, the industrial sector, is efficient, rational and functional. Well, it isn't. The problem with Argentina's economy is not just that its industry is idle. The problem is that the patient whom we wish to save from a heart attack is also suffering from another grave illness. Designed to serve the domestic market exclusively, our industry is non-competitive, inefficient, /autistic./ To make it not only reactivate but also grow, we will have to reorient it toward the world market. That is the great challenge that faces Argentina. To the extent that we do not see the government following this path, we are justified in wondering whether the surgeons who correctly recommended surgery are up to date on the most recent developments in their field. With this kind of doubt nagging him, who could go calmly into the operating room?

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ARGENTINA

PLANNING MINISTER CANITROT ON ECONOMIC REFORM IMPACT

Montevideo BUSQUEDA in Spanish 17 Jul 85 p 22

[Interview with Secretary of Planning and Economic Coordination Adolfo Canitrot; author, date, time and place not given]

[Text] After enduring inflation rates above 30 percent a month during the first half of 1985, in the first week since the monetary shock treatment applied by the Alfonsin administration, Argentina's prices rose by just 0.3 percent. During the last week in June, there was a zero increase, while negative inflation, -2 or -3 percent, is expected for July.

These figures were provided to BUSQUEDA by Adolfo Canitrot, secretary of planning and economic coordination at the Argentine Economy Ministry. Canitrot came here to attend the 2nd Meeting of the Southern Cone Forum at the Hotel Nirvana in Colonia Suiza, which was held from 9 to 12 July and dealt with the theme "Conflict, Consensus and Democratic Stability." He stated that "we can only speak of success when we have abandoned the (price) freeze and the economy does not resume the inflationary spiral."

Adolfo Canitrot asserted that at present, Argentina is not printing more currency to finance its budget deficit; rather, it is financing the deficit with loans from foreign banks while taking draconian measures to reduce it. He expressed the opinion that "in 3 or 4 months, when the financial system is stabilized, we will be able to end the recession."

[Question] What are the initial results of the reform announced by the Argentine government in mid-June?

[Answer] The immediate results are of two kinds: those related to prices, and those observed in the financial system. With regard to prices, so far we have achieved very satisfactory results. We were operating with an inflation rate of about 30 percent a month and climbing at the beginning of the year. Then we made some very severe adjustments in rates, meat prices and taxes to correct some of the most important relative prices before imposing the freeze. Nonetheless, in the first 15 days of June we had an inflation rate of about 30 percent.

After the reform, however, in the week between 17 and 24 June, we saw prices rise by 0.3 percent. In the last week of June (though we do not have updated

figures) we think that there was a zero increase. As for July, we think there may even be a negative inflation rate: -2 or -3 percent.

[Question] From the standpoint of inflation alone, do you think your program is already successful?

[Answer] No, you can't say that, because we are undergoing a freeze program, and we know that we can only speak of success when we have abandoned the freeze and the economy does not resume the inflationary spiral.

Deficit and Financing

[Question] What is happening, meanwhile, with the budget deficit?

[Answer] Before the reform we made a major effort to come as close as possible to balancing the fiscal accounts. We had a deficit amounting to nearly 10 percent of the GDP. Our goal is to reach 2.5 percent, which is the deficit the foreign banks are financing for us. We have implemented some tax reform measures, and there are others that have not yet been passed by Congress. We have raised some rates, especially those for fuels and electricity, and at the same time we have made drastic spending cuts, amounting to about 25 percent in the public enterprises. With all this, we believe that by the end of July we will already be quite close to our goal of achieving a deficit of 2.5 percent of the GDP. Before the next quarter, we expect to be at our target of zero.

[Question] Is all of the budget deficit now being financed by foreign banks?

[Answer] At this time we have suspended Central Bank financing of the Treasury . . .

[Question] Then no money is being printed to finance the deficit?

[Answer] No. The minimal amount of the deficit that may not be financed by foreign banks is being covered by delaying payments or things [line omitted] quickly.

[Question] How has the Argentine public reacted to the shock treatment?

[Answer] So far, very positively. I think that people have been fully involved; they have a yearning, a collective desire to put an end to inflation that was evident when the reform began. We have observed that management and labor, as well as the consuming public in general, have been willing to resolve difficulties and accept the freeze guidelines.

[Question] And how did the financial market react?

[Answer] We had some fears about how the financial market would react. We were afraid people would withdraw their deposits because of the substantial decline in nominal interest rates, from more than 30 percent to just 4 or 5 percent. But the reaction has been positive. People have maintained and increased their deposits. Now we have just the opposite problem: \$700

million came flooding in, and we had to curb deposits because they were causing a major monetary expansion.

Of course, we still have a long way to go. There is still a tendency to make short-term deposits; interest rates are still high enough for those deposits. Our goal is to bring them down as we see the market continue to react favorably. We have already lowered them a little, but we must do so gradually so that the public does not run to the dollar, but rather starts to make longer-term deposits.

[Question] What indications do you have of the repercussions the reform is having on variables such as the index of industrial activity or real wages?

[Answer] Here some complications have arisen, to be sure. We clearly did not expect the reform to solve the problem of the recession the economy was already undergoing. The annual interest rate is still very high, although no higher than before the reform package was implemented. That rate has very obvious recessive effects.

The reform has indeed had one very negative effect: A large number of transactions between government contractors and the government, and between businesses, which are subject to the mechanism we introduced in the conversion scale between pesos and australs to eliminate any premium, have undergone numerous conflicts (there is talk of 1,500 lawsuits arising out of this situation). We foresaw this problem, because it is absolutely impossible to convert currencies in such a way as to account for each and every relationship that may exist between individual parties.

The result was a suspension of new contracts, especially on the part of the government, until the effects of the monetary reform on contracts could be clarified. Demand has been dampened a bit, and many firms' demand for employment has also been affected, especially the companies that supply the government. These temporary frictions have aggravated the existing recession and the unemployment problem to a certain extent.

I think that in 3 or 4 months, when the financial system is stabilized, we will be able to end this recession. When we were deciding on our policy, we realized that a gradual treatment of problems would maintain the recession and unemployment for 2 or 3 years, while the solution we chose affords the hope that in 4 to 6 months (depending on the public's expectations), we will be able to improve the situation. Of course this does not exclude these months of hardship, which are inevitable.

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CSO: 3348/895

ARGENTINA

DEPRESSED CONDITION OF MACHINE TOOL INDUSTRY TERMED CRITICAL

Buenos Aires CLARIN in Spanish 7 Jul p 6

[Article by Alberto Siglioccoli; passages enclosed in slantlines printed in boldface]

[Text] The full magnitude of the harsh conditions the industrial sector has been undergoing in recent years has been revealed by developments in the machine tool sector: /In just over 5 years, the number of establishments in this sector was cut by more than half./

Machine tools are considered the basic means of production in the metal processing industry, which uses them primarily to mass-produce a wide variety of products. The automotive and auto parts industries, tractor and agricultural machinery manufacturers, and domestic appliance producers are the principal customers.

Because it supplies the manufacturing inputs for production equipment, trends in the machine tools sector are a good indicator of an economy's ability to generate and reproduce capital goods, and therefore of its level of gross fixed investment. This sector has a strategic position in the economic system of any industrialized country. So much so that /machine tools alone account for 50 to 65 percent of the total fixed investment in the metallurgical industries, which play a significant role in industrial production./

Low Re-equipment Level

It should be noted in this regard that overall investment in machinery and equipment, according to the national accounts, /declined by 7.7 percent in the first quarter of 1985, with gloomy prospects for the rest of the year./ As a consequence, /the level of demand directed toward this sector has driven sales totals down to just 2.65 percent of the 1979 sales figure, which means an idle capacity of nearly 90 percent./

The most significant manifestation of the shrinkage of this sector in recent years in the macroeconomic sphere is the /real decline in gross investment in national machinery and equipment between 1977 and 1984 to just half the former year's total./ It should be pointed out that /during the 1976-80 period, investment in durable production equipment grew by a cumulative figure of just 6 percent per year, a lower rate than the depreciation rate of about 10 percent.

Thus, it did not even make up for the normal deterioration of existing stock. Worse yet was the 1980-84 period, when capital goods investment plummeted by a cumulative annual rate of 20 percent. By the first quarter of 1985, this figure was 59 percent below that of 1980./

The erosion of the re-equipment rate is also reflected in the drop in capital goods investment figures as a function of the Gross Domestic Product. From the 8 percent figure of the early 1970s, this index fell to just 4 percent in the first quarter of 1985./

In recent years, the manufacture of machine tools suffered the consequences of the /deindustrialization policy/ that was pursued in this country beginning in 1976. The vertical plunge of domestic demand for equipment therefore had an adverse impact on the level of activity in this sector. The steady rise in the idle capacity of most factories slowed down investment in durable production equipment, against a backdrop of a complete lack of stimuli for exports.

At present, /the almost absolute retraction of the domestic market is coupled with the difficult prospects for the recovery of lost foreign markets./ The machine tool industry began to go into a steep slide in the second half of 1984. Today, the sector's production and sales are considerably below the norm.

Paralyzation of Activity

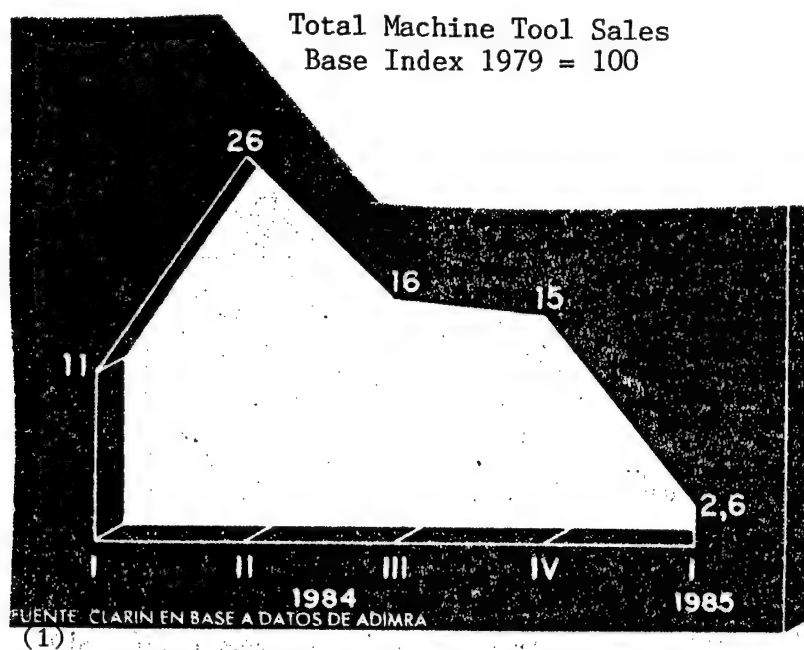
In 1984 machine tool factories' idle capacity hovered around 85 percent, and in the first months of this year /activity ground almost to a complete standstill./ At this time, /the level of production is just one-sixth of the 1979 figure, while the payroll has been cut to less than one-third of that year's total./ Consequently, as the scale of production declines significantly, the manufacture of machine tools becomes geared to filling one order at a time, which severely erodes the continuity of work in the shops and causes additional organizational problems.

In the last few years there has been a sharp drop in the number of companies in this sector, compared to those that existed toward the end of the 1970s. The drastic cut in payrolls has been parallel to this decline.

/From just over 100 businesses in this sector in 1978, only about 50 were still in business by early 1985./ In recent months, no new factory closings have taken place because the very diversification of this activity makes it possible to do /jobs for third parties, or even repair work./

As a result, while the number of firms has been cut in half approximately, /the number of employees has fallen by more than 70 percent./ This can be explained by the personnel cutbacks that the surviving companies have had to make. To make matters worse, these are highly skilled workers. The displacement of specialized labor undoubtedly led many of the workers to engage in different activities on their own, which means that /their return as employees is highly unlikely./

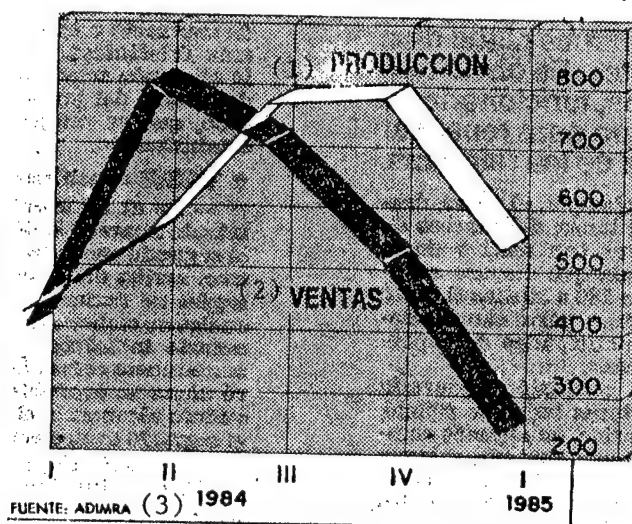
Businessmen in this sector understand that to reestablish the domestic market, /a flexible finance policy with lines of credit extended to industry at truly promotional rates/ is needed. /On the other hand, they are demanding reliable mechanisms to provide decisive and concrete support for exports with a high value added, especially capital goods./



Key:

1. Source: CLARIN, based on data from Association of Metallurgic Industrialists of the Argentine Republic (ADIMRA)

Production and Sales of Machine Tools (in units)



Key:

1. Production
2. Sales
3. Source: ADIMRA

Production and Sales of Machine Tools - Units

Quarter	Production	Sales		
		Domestic Market	Exports	Total
I - 1984	450	416	8	424
II	577	805	21	826
III	795	725	3	728
IV	805	501	35	536
I - 1985	558	249	15	264

Source: ADIMRA

8926

CSO: 3348/845

ARGENTINA

RECONSTRUCTION COUNCIL TO IMPLEMENT SOCIOECONOMIC MEASURES

Buenos Aires CLARIN in Spanish 27 Jun 85 p 2

[Article by Enrique Bugatti: "Modernize the State"; passages enclosed in slantlines printed in boldface]

[Text] As the president of the bloc of national deputies of the official party, Cesar Jaroslavsky, confirmed yesterday, the government is making progress in forming a so-called Reconstruction Council. To some of those immersed in the studies, it should include another term--that is, Reconstruction and Modernization Council.

President Raul Alfonsin is very interested in finalizing this organism. The most optimistic officials visualize this for the coming week.

The government's interest in starting up an organism of this type does not exclude the presence of political parties. It would not be risky to assume that some delay is due to the /government's waiting for the unification plans of Peronism/.

According to what is known, it is attempting to form an organism that is not too big in order to avoid bogging down in the questions presented, /perhaps not more than three members for each participating entity/.

The Reconstruction Council will include, of course, the state with the presidency of the organism held by the head of the Executive Branch. However, he would delegate the permanent work of the organism to a secretary general.

Contrary to what leaked out, they are searching for /a person outside of officialdom/ to become secretary general of the organism in order to give him maximum independence and ease of dialogue.

Actually, the new council would try to continue the tasks of the suggested agreement: a type of "ground" between the government and the sectors in Argentine society under these special circumstances.

The council would have two major specific missions. The first is /to help organize the tasks of the state through measures that make it less bureaucratic, function better and provide essential services better and more quickly/.

The officials admit that the current administration is /ungovernable/ in some sectors. To use a graphic example, the president of the country decides to finalize some measure and draws up the respective decree. No one can insure how many by-ways this must travel, how many administrative problems it must overcome and what will be the minimum time for the head of the Executive Branch to again find his idea shaped in the documentation to be executed.

Outside of administrative improvement, then, the council also would have the mission of /planning measures to modernize the state with special emphasis on the enterprises under its administration/. The often mentioned /denationalization of enterprises/ will figure in this context. The idea of stimulating the presence of private activity to make up for the official lack is germinating. In the concrete case of telephones, the formation of /consortia or cooperatives/ responsible for meeting back demands would be stimulated.

In addition to the state, the union and business organizations as well as the political leadership would be represented on the council. /All would have the mission of improving the progress of the administration, modernizing it and acting as administrative control of the socioeconomic measures implemented./

The government stakes the presence on the organism of the president of the country on the success of this new attempt at agreement. The speed with which the council is finalized is directly tied to the progress of the reorganization plan. To the extent that this is not complicated, the convocation is open. /That is the reason for so much pressure./

7717

CSO: 3348/820

ARGENTINA

CONSTRUCTION, INDUSTRIAL SECTOR SHOW SHARPEST EMPLOYMENT DROP

Buenos Aires CLARIN in Spanish 10 Jul 85 p 16

[Passages enclosed in slantlines printed in boldface]

[Text] /Demand for labor fell by 59.2/ percent last /June/ with respect to the /same month of the previous year,/ according to a study by the /National Institute of Statistics and Census (INDEC)/ based on the job listings published in three dailies in the federal capital.

Job offers were also lower this past June than they had been in the /previous month,/ and are in fact at /the lowest level since January 1983./ The most significant shrinkage in demand has been seen in the /industrial/ and /construction/ sectors. There was a less pronounced decline in some jobs related to /self-employment/ (salesmen and brokers) and in the demand for /management personnel./

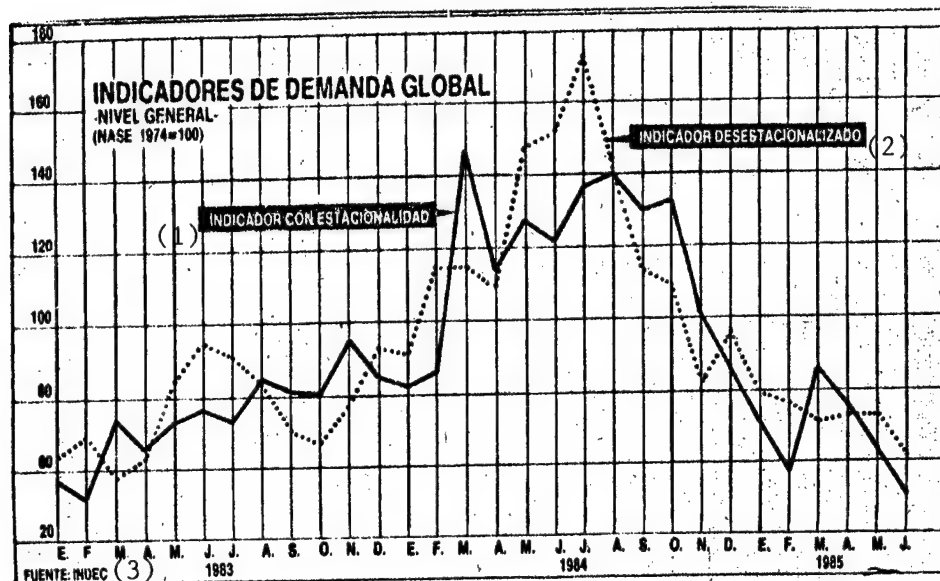
Compared to /May's/ levels, the demand for labor /fell by 21.8 percent/ if different types of jobs are averaged. The seasonally adjusted index had similar results, although the decline--measured in the same way--amounted to 15.7 percent. One can get a better idea of the shrinkage of the Argentine labor market, however, by using the /1974/ INDEC figure as a statistical base of /100;/ the June labor supply figure comes to just /49.9/ in this manner. June job offers are even lower than those of last January and February, which are traditionally the slow season for labor demand.

The INDEC survey covers nine categories of employment: professionals and technicians, managers, administrative and auxiliary employees, salesmen and brokers, domestic service, other personal services, industry, construction, and others. Last June, the categories in the sample that dropped by the largest amounts (with relation to May) were /industry,/ with 43.3 percent less demand; the /"others"/ sector, which was 29.8 percent below the May figure; and /administrative and auxiliary employees,/ with a 21.9 percent drop. The least decline was among /managers,/ with a 7.3 percent difference between May and June.

In the last 12 months, while the general level of the indicator fell by 59.2 percent, the sector whose demand for labor experienced the sharpest decline

was /construction,/ which plummeted by 95.7 percent. "Other personal services" followed with an 82.6 percent drop.

Overall Demand Indicators
General Level
Base: 1974 = 100



Key:

1. Non-seasonally adjusted indicator
2. Seasonally adjusted indicator
3. Source: INDEC

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CS0: 3348/845

ARGENTINA

LEADING FIRMS REGISTER 28 PERCENT DROP IN SALES

Buenos Aires CLARIN in Spanish 25 Jul 85 p 24

[Passages enclosed in slantlines printed in boldface]

[Text] The most important businesses in Argentina experienced /a sharp drop in sales and production in the second quarter of the year./ As this trend accelerated in June, /employment and hours worked in factories plunged deeper./

So far this year, plant lay-offs as a direct result of the sluggish market amount to 7.7 percent, but in the last 3 months, the payrolls of the country's major companies have been cut back by 5 percent.

This cutback in manpower, which has affected some 2,755 factory workers, was accompanied by /a reduction of 4.5 percent in hours worked in June./

The lay-offs were attributed to a 28.6 percent decline in sales in June, from an already low level in May.

May sales were 9.3 percent below April's total, and 22 percent lower than the figure for the same month of 1984.

These figures come from a private study that has been distributed among the presidents of the principal companies in Argentina. The survey was conducted by the Christian Association of Business Executives (ACDE).

The survey, whose results have not been made public, was conducted among the /35 leading firms on the local market, whose monthly billing totals \$3.379 billion. Ninety-one percent of their activity is on the domestic market./

Among these companies are those led by the so-called /"captains of industry,"/ who are in close contact with President /Raul Alfonsin./

Production

The study, which was discussed yesterday at a meeting of the company executives involved, states that /the volume of sales in June "is the lowest in the series"/ that began in January 1984.

The decline in demand totaled 40.4 percent in June compared to the level of sales achieved during the same month of 1984.

Last June, all businesses surveyed suffered a slump in demand, except for one in the laboratory industry that managed to boost its sales.

In general, production was off "slightly in April in May and more sharply in June, when activity fell by 10.1 percent."

During the second quarter there was a /slight increase in activity/ compared to the first 3 months of the year, amounting to 2.7 percent. But if this period is compared to the same quarter of 1984, we see a decline of 19.44 percent.

Because activity sagged at a lesser rate than sales did, /the firms' inventories rose by 25.8 percent during April, May and June,/ compared to the levels of the second quarter of last year.

Wages

All this led to a substantial reduction in the utilization of installed capacity. For the whole quarter, this drop totaled 18.5 percent, while the decline amounted to 11.5 percent between May and June.

Of all the companies surveyed by the ACDE, 80 percent (28 firms) felt that /the utilization of productive capacity is low./

Naturally, this situation had a major impact on the employees of the leading companies, who not only saw their buying power eroded, but /in many cases were put out of work, and in other cases worked fewer hours./

The average wage paid in June was 202.23 australs, which represents a real drop of 8.2 percent in buying power since March. The decline amounts to 14 percent compared to the income workers earned in December.

A total of 2,755 workers have been laid off since the beginning of the year, but of that figure, 1,789 (65 percent) were let go in the last 3 months.

Also in June, there was /a 4.5 percent decrease in the number of hours worked for these firms, while labor absenteeism rose by 2.6 percent./

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CS0: 3348/895

ARGENTINA

RESUMPTION OF MILITARY-GOVERNMENT DIALOGUE VIEWED AS ESSENTIAL

Buenos Aires CLARIN in Spanish 22 Jul 85 p 10

[Article by Luis Garasino: "What Is Happening in the Armed Forces"]

[Text] The second half of this year "will be a little better" for the Armed Forces from the standpoint of the budget, given the drastic restrictions effected during the first 6 months, informed sources say.

Nevertheless, this eminently technical evaluation cannot ignore the atmosphere of discontent perceived in military circles, discontent based on economic and political reasons.

It is a well-known fact that in the 1984 Budget, the Radical Government made severe cuts in military spending, which went from 4.2 percent of the GNP to 2.8 percent, although the Armed Forces retained their previous structure, demanding a heavy outlay of funds.

From the purely political standpoint, the reduction in the military budget was viewed as a means of accelerating the reorganization of the Armed Forces, which must thus adapt themselves to the resources available and, along this same line of ideas, whose last year proved to be the most difficult, as is always the case in any sudden transition.

Actually, it was a question of seeking a delicate balance, the means of which is under discussion, between that move toward structural reform and the continuation of a minimum operational capacity.

At the end of last year, military officials were notified that budgetary allowances for 1985 were similar to those of the preceding year, although down somewhat. In March, it was noted that the level of spending could not exceed 66 percent of the allocations, due to the difficult financial situation.

These difficulties stimulated proposed moves toward reform and rationalization, such as one prepared in the headquarters of Logistics and Finance of the General Army Staff and destined to be submitted to the Ministry of Defense.

Partial Relief

If such plans should be carried out, the situation would be partially alleviated, for military concern over training, equipment maintenance and anything relating to the specific activity is obvious.

Military circles note that there is a "deprofessionalization" of cadres, which are practically unable to perform their normal activities, to say nothing of the marked decline in the skills of conscripts, which especially affects the army, and the proper care of equipment, which can be ruined beyond repair.

Under such conditions, there are interesting details, such as the fact that the decision about military spending -- within the framework of economic reform -- has been mainly transferred to the Office of Secretary of Finance, with which the Ministry of Defense maintains "close contact" on all these matters.

The 1985 Budget, which will reportedly go to the Congress next week, provides for military spending amounting to some \$1.6 billion. There will consequently be a race between accelerated reorganization and funds available, although some technical sources say that the government will have more dollars for foreign exchange outlays of the Armed Forces.

However, concerning pay, sources indicate that "one must harbor no illusions," given the rigidity of the freeze ordered by the national government. The freeze affects not only officers and junior officers in the three forces, but also civilian personnel working for them and industrial workers in the area of defense. It is in these sectors that there will be inevitable conflicts with labor in the near future.

These factors: frustration in professional promotion and low pay; explain the atmosphere of discontent detected in the ranks. But there are other elements and not all favorable.

Impartial military observers say that in the last years of the military government, one could see a kind of break in communications between the higher ranks -- at least in some forces -- and the intermediate and lower-ranking officers. This state of affairs seems not to have improved.

Naturally, the picture would not be complete without the inclusion of other political elements such as the trial of the former commanders in chief and the summons of officers and junior officers involved in the fight against subversion to appear in court. In this case, as one goes down in rank, the more negative repercussions one can detect among the comrades.

This set of circumstances sheds great light on important steps of the government, such as the speech delivered by the president of our nation at the Armed Forces camaraderie dinner of the Armed Forces.

There is a tendency in the ranks to make a distinction between evaluations of the past and future and daily reality.

The late Minister Raul Borrás had a fine political perception and during his administration, there was an attempt to establish direct personal contacts with the greatest possible number of officers.

Personally, he explained on countless opportunities, the government never intended to destroy or annihilate the Armed Forces, which it considered to be essential institutions for the democratic state, and that what it sought was justice with respect to excesses rather than revenge.

This position has not changed with respect to the government. However, the new minister, absorbed by his new responsibilities and having links with previous responsibilities in Public Works, has not yet implemented a plan of similar activities in order to develop this type of personal contacts under the highest military levels.

This theme of ordered and rational communication between intermediate levels of government and military officers is for some observers an obvious need. The possibility of establishing it will determine many things, including the fact that "messages" will then arrive undistorted at the proper institutions, which might otherwise tend to be enclosed within themselves and thus benefit no one.

11,464

CSO: 3348/883

ARGENTINA

ARMY CHIEF'S DEFENSE OF ANTI-SUBVERSIVE ACTIONS CRITICIZED

Buenos Aires CLARIN in Spanish 3 Jul 85 p 18

[Editorial: "Military Question"]

[Text] The military question in Argentina has come to the forefront due to recent statements by the Army chief of staff to a metropolitan magazine. Gen Hector L. Rios Erenu indicated that when the country was threatened by the terrorist tide, the Armed Forces risked the life of their men to protect the institutions. This fact seems to remain in the shadows when military action in the "dirty war" and the abuses committed in it are judged. These abuses have been denounced by a large number of people affected and by relatives of others who have disappeared and whose fate is unknown.

According to this military chief--who also was clearly legalistic--"it was necessary to defend essential values; that was done at the cost of a war. In a war, there are deeds that cannot be dissected or treated aseptically." He proposes "a solution that, according to the Executive Branch, is based on responsibility." Rios Erenu also indicated that the military intervention had public consensus.

These statements were symptomatic of the point where the military cadre is now due to the trial of those responsible for excesses in the dirty war. The government distinguished between those who gave orders and those who carried them out. There are also those who overstepped the bounds and committed outrages or crimes. Beyond this clear distinction that focuses responsibilities on the military hierarchy during the "process" and on some lower ranking officers who did not accept ethical limits to their actions, the public trial of the military should not create a climate that envelops the entire institution and that could hurt its functioning in society.

The daily publicity of the excesses denounced in the trial is positive because it leads to repudiation by the citizenry. However, it arouses unquestionably legitimate sentiments in those who have suffered during the dirty war, whether from guerrilla attacks or the excesses of counterinsurgency. This widens a gap that is hard to overcome between those who should unite despite the pain and repudiation of the confrontation between brothers.

The emotions of the people involved begin to affect the evaluation of decisions that were unavoidable at the time. The obligation of the state to defend

itself against subversion and turn to its armed branch to do this, as happened in Operation Independencia, cannot be questioned. The reprehensible excesses that the methodology of the "dirty war" generated and spread is something else.

It is also important to differentiate between temporary conduct of the Armed Forces and the historic entity they represent. If the trial of the men spreads to the institutions, then the result will be the erosion of national defense and demoralization. There is no question that Argentina, which still has many of the tasks to become a complete nation before it, needs solid Armed Forces, respectful of the Constitution and respected for their historic tradition, the republic's shield against foreign spies and also its battering ram in the fight against underdevelopment and backwardness.

To achieve this situation, many emotions must yield to the common good. The Argentines need to make up with each other, as we have said frequently, and this requires justice administered with one eye on the future of the community and one eye on the past that is to be overcome. The excesses must be punished and the Messianisms and crusading must yield to tolerance and democratic pluralism. It is also necessary to heal all the wounds in an act of reconciliation that puts us on the road to national reconstruction, with all due respect and affection for those who still cry because of memories of a cruel epoch.

It must be accepted as reasonable that the Ministry of Defense, after examining General Rios Erenu's statements, appreciated the recognition of the failure of the coup d'etat as a political method and the unquestionable military subordination to the constitutional government expressed in them. The in-depth problems must be given priority.

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CSO: 3348/820

ARGENTINA

RETIRED GENERAL ARGUINDEGUI ON TRIAL, AMNESTY

Buenos Aires SOMOS in Spanish 19 Jul 85 pp 16-17

[Report on interview with Gen Jorge Hugo Arguindegui, by Luis Castellanos;
date and place not given]

[Text] He was the first general of the new democracy. When Raul Alfonsin took office as president and commander in chief of the Armed Forces, he named him army chief of staff, choosing from among 56 brigadier generals. It is also known that Jorge Hugo Arguindegui (55, cavalry) would have occupied the post if Italo Luder had won in the October 1983 elections.

Such unanimity is based on fundamental causes. It is said that Arguindegui was the most civilian of the military men and that today (when insistent rumors attribute a political vocation to him), he is the most military of the civilians! A key man in the difficult relationship between the Radical Government and the army, he is credited with having warned Alfonsin of the danger of provoking uncontrollable tension in the forces because of the trial of members of the former military juntas. Concerned over what he interpreted as a plan to discredit and destroy the Armed Forces, Arguindegui retired on 4 July 1984, almost exactly a year ago. Subsequently; in an unprecedented case, he was promoted to the highest possible rank, division general, despite his retirement. Finally, the political community awarded him one last honor: Party leaders, businessmen, military men and Church officials gathered together to celebrate his promotion at the Hotel Libertador. It was on 28 November and those in the gathering included the president of the Chamber of Deputies, Juan Carlos Pugliese, and other party leaders, such as Vicente Saadi, Arturo Frondizi, Elias Sapag and Luis Deferrari. A year after giving up his post, Arguindegui is considered in some circles to be a man with a political future, based on attitudes such as the support given a little over a month ago to the massive mobilization called by the General Labor Confederation to protest the critical economic situation.

In an exclusive report, SOMOS spoke with the former army chief of staff. The issues discussed were not solely military, but also ventured into the political and economic fields. The following is a summary of his opinions.

Trial of commanding officers: The public trial that is continuing not only involves the members of the former top command, but the entire institution.

At the present time, there are over a thousand cases against officers before the military courts. Obviously, the infrastructure of that institution is not prepared to hand down rapid judgments, as a result of which one can presume that the civilian judges will gradually take over the cases, as is already happening in the provinces. Consequently, the military institution will in the end be faced with a collective judgment. The trial has the clear intention of serving as a target for leftist terrorism, by brandishing the slogan of presumed state terrorism. This native Nuremberg is trying the winners and not the losers in the war, to such an extent that members of Mario Firmenich's staff who are in Europe have been declared by letters rogatory. It is incredible that with the excuse of determining the guilt of a presumed criminal, they should resort to declaring individuals as convicted and as having confessed.

Final point: The issue of the trial will only come to a close with a political decision from the president. That decision will involve a political cost he will have to be willing to pay. It should have come before, as I suggested when I was chief of staff. Now the trials must come to an end and a law must be passed establishing the bases for a reconciliation. No matter what name is put on it, that law has to be passed.

Retirement: My decision to request retirement was based on my disagreements with the plan drafted by the Ministry of Defense. I said at that time that they were trying to discredit and destroy the Armed Forces. We now see that the operational capacity of the forces is weakened, the budgets are more than low, even nonexistent, and pay is 50 percent under that of December 1983 at constant values. In addition, there is the decline in spirit and morale among the troops, affected, among other things, by the methods used in the trial of the former commanding officers and other factors.

War against terrorism: It is absurd to wonder whether or not there was a war against terrorism. To deny that war is like saying that there was no war in the Malvinas because there was no formal declaration. We are not in the 19th century, when war was announced first. What they are trying to do is to reduce military men to the status of repressors, laying a cloak over the crime of subversion.

Armed Forces a year later: The plan to incapacitate the Armed Forces as a national institution has enjoyed major success. I warned former Minister Raul Borrás -- which caused my alienation -- that I can admit one mistake, two mistakes or even three, but when all the errors are on one side, they are no longer mistakes: They form a political plan and that plan, I insist, is aimed at incapacitating the military institution.

33 Officers: During my term as army chief of staff, the situation of 33 officers (known as the 33 "Orientales") was resolved. They had been punished when Gen Leopoldo Galtieri was commander in chief for alleged ideological rebellion with respect to the National Reorganization Process. I warned Galtieri at the time that I disagreed with the methods and with the results, since in many cases, they cut short the careers of brilliant officers. I then managed to have their names cleared and in some cases, to have them promoted to the rank they would have had if they had continued in the service.

Economic plan: To date, it is no more than a "semi-plan," or at least is only partial: the fight against inflation. But the chapter aimed at reviving the economy is missing. Without it, the plan may yield results in numbers, but at the cost of a wave of layoffs, the closing of businesses and the loss of purchasing power. This could lead to the repetition of episodes such as the occupation of Ford. In addition, the measures seem to indicate that they will be the foundations of a clearly liberal economic plan. The fact that in a government with officials who clearly support other ideological conceptions (one has but to look at the handling of the communications media or what is happening in education) seems to be very contradictory.

Political way out: The current political picture is characterized by one fundamental fact: the existence of a ruling party with no solidly organized opposition. I believe that the only way out of the structural crisis in which we have found ourselves for years is the integration of a national front, a front that truly leaves aside group or partisan interests, one capable of formulating permanent objectives. Such a front would make it possible for the entire national community to participate. Only based on such a front will we be able to strengthen the basic institutions of the republic and form a single entity.

Foreign debt: We must renegotiate, preventing our national dignity from being subordinated to the dictates of the International Monetary Fund and the World Bank. We must adopt concrete measures in order to establish fairly what the legitimate and illegitimate debt is and punish those responsible for the latter. We must plan and program the renegotiation of terms and conditions of payment, combining it with new openings and new commercial partners facilitating the country's economic revival.

Underground economy: We must attack it on all fronts in order to see that this or another economic plan is successful. We cannot expect miracles from a mere monetary reform if it is not accompanied by control of underbidding or the smuggling of exportable raw materials.

9 July parade: Above all, we have to point out that it is not the first one since the return to democracy. On 29 May 1984 in Mendoza, there was also a parade accompanied by the people of Mendoza with singular enthusiasm. The 9 July parade reaffirms the indissoluble unity of the people and the Armed Forces. They showed that those who are attacking the military institution are tiny minority groups, isolated from reality.

Proposed defense law: A defense law must be based on consideration of the insertion of the Armed Forces in Argentine society, which is not seen in the present bill. Not only is the rich experience we have throughout history not reflected there, but consideration is not given to experiences extracted from the war against subversion and there is no legislation on overall military planning, the cause of more than a few strategic and military mistakes during the war in the Malvinas.

Political vocation: I have a political vocation, but it is fundamentally a vocation of service which, if necessary, would lead me to assume the responsibilities that the nation might demand of me.

New Republic

"Argentina is facing the worst economic, political, moral and cultural crisis in its history, which presumes the uselessness of the 1980 Plan and, as a result, of the republic based on that model. It also means an inevitable shift to a new organized, modern, developing nation, strengthened on the internal front and coherent in its international position and projection."

This is the introductory sentence to a short article -- less than 6 letter-size sheets -- entitled "The New Republic" and containing the main ideas summarizing the political views of the former army chief of staff.

Arguindegui is a member of no political party, although he defines himself as a man of deep national convictions, and he does not elude (see report) clear-cut political definitions. His brief political and ideological positions are now circulating in political and business circles and it is said that he has an interested audience in trade union spheres.

What are the general's motives? It is too soon to tell.

11,464

CSO: 3348/883

BELIZE

NEW POLITICAL PARTY FORMED BY FORMER MEMBERS OF PUP

Resignations From PUP

Belize City THE REPORTER in English 30 Jun 85 p 6

[Text]

A number of formal invitations have been issued in Belize City to various persons to attend a founding meeting of a new political party to be known as the Belize Popular Party. The meeting has been scheduled to take place on Sunday, June 30 at 10 o'clock at the Copa Cabana Hall.

Details of who the people are behind the new political movement are not known, but Reporter investigations to find out reveal that Mr. Louis Sylvester, former Minister of Energy and Communication in the PUP Government, is the person responsible for booking the hall for next Sunday's meeting.

Mr. Louis Sylvester, former Minister of Energy and Mr. Fred Hunter, former Minister of Works resigned as officers and members of the PUP on January 16, 1985 charging that the Party had become subverted from its true mission and had been over-run by persons of communist ideology.

Specifically the joint letter of resignation by the two long-standing former ministers charge that two former officers of the now-defunct People's Action Movement had from the early days of 1960 set out a plan to send hundreds of students from Belize to study in Marxist countries for the purpose of "conditioning their minds to promote communism".

Inaugural Meeting, Elections

Belize City THE REPORTER in English 7 Jul 85 p 7

[Text]

A new political party has been launched in Belize, the second since the start of the Eighties decade.

It is called the Belize Popular Party and is headed by former officers and members of the People's United Party who have become disenchanted with the PUP lurch towards the left.

Some three hundred enthusiastic supporters from Belize City and the districts launched the BPP at a formation meeting held at the Copa Cabana Hall last Sunday morning, and elected Mr. Louis Sylvestre, long-standing Party Chairman until his resignation from the PUP in January this year, to become Party Leader. The meeting elected Mr. Fred Hunter, Deputy Leader and Mr. Mark Cuellar as Party Chairman. Others elected were Mr. Ryan Swift, Party Secretary, Mr. Belarmino Guerra, Assistant Party Secretary, Mr. Herbert Haylock, Treasurer and Mr. Randolph Bradley, Assistant Treasurer.

At this foundation meeting the BPP introduced its flag, three horizontal bars of green and white and yellow with six stars representing the six districts of Belize on the middle (White) bar and its philosophy — democratic with a strong civil rights plank, free enterprise and decidedly anti-communist.

The BPP platform says it will work for "food for every table — and a home for every family".

The party's platform statement reads an election manifesto, undertaking to improve tourism and agriculture, education, health, labour, fishing and housing and promising to protect and conserve September 10, St. George's Caye Day.

Leaders of the party clearly see themselves as the practical alternative to the People's United Party, which six months after its crushing defeat at the polls has been making a determined effort to reconquer lost grounds.

[Editor's Note: In its report on the new party, Belize City's THE BEACON observed:

['It Hardly came as a big surprise--that the breakaway faction of the People's United Party (PUP), commonly known as the corrupt right, has surfaced as a party of their own.]

['They call themselves The Belize Popular Party (BPP), and held their inaugural meeting at the Copa Cabana Hall on Sunday morning to select the initial head officers, to present a "non-communist" platform, and issue its first Manifesto.']

Attack on Sylvestre, Hunter

Belize City THE BELIZE TIMES in English 14 Jul 85 p 4

[Unattributed column "Bottom Line": "An Echo Not a Choice"]

[Text]

The defectors Sylvestre and Hunter and their clique claim to provide an alternative to the existing government. As one observer put it, they sound more like an echo than a choice.

Sylvestre would have liked to become a Minister in Esquivel's government. To that end he worked disloyally while remaining a member of the People's United Party.

When he was not rewarded by Esquivel, he tried to be appointed "Leader of the Opposition." Having failed again he decided to form his own party.

His connections with Mr. Bruhl, the former Manager of the Belize Electricity Board, led him to a group of Cubans in the Florida area of the U.S.A. The Cubans are aligned with the Republican Party of the U.S.A. and they roam up and down Central America creating and financing political groups in each country in the name of "anti-communism."

Although the UDP governing party is also aligned with a similar group, the Miami Cubans have decided to finance Sylvestre who claims to be further to the right than the UDP.

The people of Belize are not fully aware the movement of these Cubans whose presence in Belize has increased 5 times since the last elections. In fact the interest of the people of Belize does not count where these Cubans are concerned.

Sylvestre now has much money to pay-off his cronies. But he cannot provide the alternative to the UDP, which they need so badly. The unpopular party is a UDP echo - not a choice.

CSO: 3298/966

BELIZE

BELIZE TIMES MOUNTS DRUMBEAT OF CRITICISM AGAINST UDP

'Erosion of Democracy' Charge

Belize City THE BELIZE TIMES in English 23 Jun 85 p 9

[Article by Dr Theodore Aranda]

[Text]

So many times we Belizeans react to problems only when we are sick and tired and cannot take any more. However, abuse of power and the destruction of democracy cannot wait till we cannot take more for the very simple reason that once democracy is destroyed there is no way to regain it democratically.

There is a string of abuse of power and a pattern of destruction of democracy by the Esquivel government which, if allowed to continue, will certainly develop into the much more serious problem of paving the way for communism. One cannot, therefore, emphasize enough the need to keep a very close watch on how under the UDP government democratic practices are fast and threateningly eroding, in spite of declarations of the existence and exercise of democracy. Secondly, Belizeans must understand the serious need for political parties and government to have clearly defined and coherent democratic policies, principles, values and goals both to orient and direct the governance of the country as well as to counter efforts that lead away from those aims. It assures that those elected into power will not give rise to the erosion of recognizably elevated principles and policies nor will they trigger social, political and economic chaos. But with the UDP leaders, even if they are not communist or subversives, they certainly do not direct the country after coherent democratic policies, principles and values, nor can they counter any undesirable movement or agitation. That makes them dangerous.

Belize may presently be described as democratic when measured by holding parliamentary elections. But the UDP sees elections primarily as means to achieve and maintain power rather than as a manifestation of the will of the electorate. It opposes efforts at injecting reasoned goals into voting while it introduces patterns and behaviours that unquestion-

bly threatens the democratic system. Government ministers including the Prime Minister are involved in undemocratic conduct. Personal and politically partisan interests far outweigh national interests. Frustration that eventually lead to the ravage of some of the Central American countries is threateningly becoming the order of the day; only that while international forces pressure these governments into easing those frustrations, the government of Belize is increasing them through irresponsible behaviours without recognizing that it is violating democracy. And we must not for a moment forget that Belize is in Central America, one of the most volatile regions of the world where Soviet-Cuban advances are greatest. Neither must we forget that Belize has an extremely soft underbelly for Soviet Cuban infiltration due to its total ignorance of the pattern of that infiltration, its superficial grasp of democracy and its severe social-political-economic poverty.

Furthermore, the Esquivel government is openly and consistently:

- (1) Crushing documented accusation against it - self instead of correcting the causes of the accusation.
- (2) Attacking vital institutions and so weakening them.
- (3) Victimizing opponents and distorting government offices into UDP operations.
- (4) Being involved in misinformation, disinformation, deceptive practices and outright lies.
- (5) Suppressing information.
- (6) Contradicting what is promised with what is done.
- (7) Seriously mishandling the narcotic problem and double standards in enforcing the law on traffickers.

These violations are serious because each one destroys the common rules of the behaviour of an elected government. But collectively they are a clear indication of anti-democracy, plainly pointing where the Esquivel government is going and what it is all about.

Workers' Rights Issues

Belize City THE BELIZE TIMES in English 7 Jul 85 p 5

[Unattributed article: "Workers Rights Under Attack"]

[Text]

The handwriting is on the wall. The UDP Government has begun the process of dismantling the long fought-for rights which the workers of Belize have won after many years of struggle.

In the BEACON of June 22 they question whether there is a right to work and go so far as to serve Notice that they intend to amend the Constitution of Belize, the Supreme Law of the Land which protects the fundamental rights and freedoms of the individual. To quote from the BEACON article:

"The inclusion of socio economic rights as a substantial and enforceable provision in our Constitution is another very mischievous development began by the fathers of the constitution, that is potentially explosive and damaging to any successor government. In this regard the foregoing is only the tip of the iceberg as there are many areas where law reform and constitutional amendment with a view to rationalize our legal system in a manner consistent with the existing philosophy of government is necessary."

This article we understand was written by Hubert Elrington, UDP Attorney General who has been threatening on many occasions to amend the Constitution to suit his despotic fancy.

"And what is so 'potentially explosive and damaging' about the constitutional provision dealing with the protection of the right to work?"

Section 15 of the Constitution states: "No person shall be denied the opportunity to gain his living by work which he freely chooses or accepts..."

"This constitutional provision is not postulating a right to work per se but seeks instead to proscribe the denial of the opportunity to work. What is so frightening about that! What it seeks to do is to assert the dignity of work - an accepted value in any democratic society.

But the UDP and the A.G. have in mind to unleash a rein of terror on our people. No job is secure. Not even the judges of the Supreme Court are protected from these power hungry people.

In fact Elrington in the last issue of the BEACON in a Page One commentary entitled "In Defence of Justice" has divulged the wicked authoritarian acts of victimization which his government intends to perpetrate on innocent Belizeans. The article complains that there are certain people working in strategic places in the service who the A.G. considers to be supporters of the PUP. These people, he says, must be removed "one by one slowly, methodically and deliberately."

GOD HELP US FROM THESE TYRANTS!

Attack on Aikman

Belize City THE BELIZE TIMES in English 4 Aug 85 p 5

[Unattributed article: "Aikman: No Wonder Boy!"]

[Text]

After the UDP victory one of the people who immediately seemed to have sprung into the limelight was Minister Derek Aikman. He appeared with the Prime Minister at press conferences, was always on the news, and certainly seemed one of Esquivel's wonder boys.

Today when we sit back and evaluate his performance it is not at all surprising that he seems to have fallen out of favour with the PM. He also seems to be conducting his affairs these days in secrecy for he is now seldom heard of or seen. Is open Government now dead?

As Minister of Education Aikman has a dismal track record indeed. It appears as if he quickly killed the Belcast expansion as the

idea came from and was arranged by the old government. This is definitely a no-no in Aikman's eyes, despite the fact that it was a good project. We should also note that this move was severely criticized by many of our local education experts. Then we all still remember that within a week of taking office Aikman sent the Corozal Community College (CCC) into a disastrous tail spin. The controversy over his hand picked principal for CCC continues. In what can only be regarded as an embarrassing move it is said that the principal has been intimately involved with a rather young former student at CCC.

These days Aikman is puffing again with the announcement of 20 scholarships to Arkansas which he supposedly arranged. Well upon investigation we discover that the whole thing is a ploy to convert Belizeans to "Baptism". Anyone who accepts one of these scholarships must agree to do certain things thought to be good by the Baptist. They include - absolutely NO drinking, smoking and dancing; 3 hours a day of lectures in Baptist theology; attend daily hour and a half Baptist Church ceremonies - in other words become a Baptist. So if you simply love religion but you are not particular about the type of religion then yes, this is for you. But if you are already a Catholic and you would like to remain a Catholic or if you don't like religion then forget about it, this is not for you. Of course if you are prepared to be a Judas then anything will do. Then to top it all off there are all the accusations leveled against Aikman by his PS Ronald Clark. They included corruption, victimization and questionable conduct in the Ministry of Education. To many education in Belize under the UDP is suffering and will continue to suffer with Aikman.

Aikman is also the Minister of Tourism and Transportation. Where Tourism is concerned the Minister quickly put his girlfriend Susan Codd on the payroll and called her the National Director of Tours. Where are the tours Madam Director? In reality tourism is being put on the back shelf. In a recent speech Esquivel said that although his government would like to encourage tourism they have no money to spend on tourism. We can now only assume

that the post "Minister of Tourism" is reduced to a largely ceremonial title. re-

As Minister of Transportation Aikman has managed to kill the applications of two other airlines to come into Belize and issued a permit to Challenge Airlines. Of course we are all aware of the fact that the minister can benefit financially and personally from Challenge coming to Belize. So it is probably not at all surprising that the Minister thinks he did a great thing bringing Challenge - a little insignificant airline in the sphere of International travel.

Aikman is also Minister of Youth and although Belize abounds with Youth Aikman has yet to come-up with anything which we can see would directly improve things for the young people of Belize. (By the way Sir, there is no such thing as YOUTHS. Youth is a collective noun which any English teacher will tell you does not carry an "S" in its plural form). Aikman's Youth Congress and Miss Youth International were both disgraceful and organization failures of the highest order. To this day we still have not been told how much of taxpayers money was spent on Aikman's beauty show or if any money was made and where it has all gone. We can not help but wonder if the PM feels he would be embarrassed if he calls another of his many inquiries to look into the financial affairs of Aikman's whimpy Youth Congress.

Aikman is also Minister of Culture. Well apart from his pal Arguelles being appointed what else has he done? Former staunch UDP supporter Diane Haylock has disassociated herself from him. Another leading member of the Arts in Belize, Mr. Ray Gongora, decided it was in his best interest to split the scene. Mr. Minister we put it to you that your actions are causing more damage than good.

In concluding this look at the conduct of Aikman, an old saying immediately comes to mind which seems to adequately fit the "Never send a little boy to do a big man's job!!"

BELIZE

PUP ACCUSED OF DECEIT, BLAMED FOR CURRENT PROBLEMS

Belize City THE BEACON in English 10 Aug 85 pp 1, 2

["Page One Comment": "Of Deceit and Double Standards"]

[Text] It started with the 'our turn' case. Refused permission by their broadcasting authority to air their propaganda, under their television law (now struck down as unconstitutional by their Chief Justice), the PUPs tried to rewrite history. All of a sudden, the law was the fault of the UDP. The new government was oppressive, the PUPs were freedom fighters, and the people were supposed to take to the streets.

The only protest, as it turned out, was against Said Musa and his small band of rag tag hustlers, who quite aroused public indignation by organizing what was supposed to be a picketing of the Prime Minister's office.

Next, there was the Libertad issue. The closure of the factory and the consequent unemployment and social and economic dislocation in the north are the direct result of the shortsightedness and poor stewardship of the PUP government. Their failure to have introduced a diversification programme despite the continuing decline of sugar prices throughout the early 1980s amounted to criminal neglect of the welfare of the farmers. But to hear the PUPs tell it, the Libertad situation was actually created by the UDP government. And they even succeeded in persuading a few gullible caneros, together with a large number of paid aliens and marijuana growers, to march on Belize City, where the whole spectacle was viewed by residents, by now becoming accustomed to the outrageous lies and mad caperings of the PUP, with a mixture of amusement and contempt.

Now comes the dual citizenship business. The PUPs, who have always acted with spite towards those Belizeans forced by them to become political and economic refugees in the States and elsewhere, actually passed a law to deprive these people of their most precious birthright--their Belizean nationality. Now the UDP legislation, attempting to remedy this immoral situation, has been widely hailed by patriots at home and abroad. But according to the PUP, it is nothing more than a ploy to introduce overseas voting. And they say this despite the fact that the electoral law providing for at least one year's residence in the country before a citizen can be

registered as a voter, is to remain intact. This latest PUP propaganda then, is as yet the grossest effort on their part to distort the truth, to portray good as evil.

But the matter does not end there. For it is now revealed from Belmopan that in 1983 when they were still the government, these very PUPs agreed to a document signed by Musa as Minister of Economic Development and Courtenay as Attorney General, which would have conferred Belizean citizenship on Hong Kong nationals who would nevertheless retain their Hong Kong nationality. In other words, and incredible as it may seem, they were prepared, as a government, to do for Chinese from Hong Kong what they were not prepared to do for Belizeans from Belize. As always, and especially where Harry Courtenay is involved, the consideration was definitely not nationalism.

(In fairness to Mr Musa, the document appears to have been written by Courtenay. And since the pompous Courtenay always tries, misguidedly, to be ornate and flowery; and always succeeds, disastrously, in being merely thick and turgid, Musa may not have understood what he signed).

Really, these people are going to far. Their Belize Times has now replaced the Tribune as the medium for smut and slander. And their sustained lie campaign, is incensing decent public opinion.

The PUPs, it seems to us, are fast losing any right to be considered a serious opposition.

CSO: 3298/967

BELIZE

SUGAR SITUATION CONTINUES AS CENTER OF CONTROVERSY

Government Statement

Belize City THE BEACON in English 29 Jun 85 p 3

[Text]

An article appearing in the Newsheet "La Desgracia Del Canero" of Orange Walk has been categorically denied by the Ministry of Commerce and Industry.

The article alleges that the Government of Belize has given BSI an import licence for 25,000 tons of white sugar and that it will be sold for 75 cents per pound locally.

A release from the Ministry of Commerce and Industry states that: "This Ministry has tentatively agreed to give BSI a permit to import 6,000 tons of white sugar into Belize for the year 1986 only to be sold to the consumer at the current price.

"This was done solely because it was one of the preconditions laid down by BSI in order to operate the Tower Hill Factory. The second precondition by BSI to operate Tower Hill was that Government must pay them their part of the Price

Stabilization Fund which amounts to some \$3/4 million.

"This had been agreed to by the Government of Belize. Government also wishes to inform the cane farmers that they will be paid their part of the Price Stabilization Fund"

The release also states that Government is still seeking a solution to keep the Libertad Factory open for either the production of ethanol or sugar.

"Farmers must be aware that if the preconditions weren't met, both factories would have been closed down."

It is the intention of the Minister, Mr. Eduardo Juan while in Barbados later this month to have talks with Trinidadian and Jamaican officials to discuss the possibility of selling those countries plantation white sugar that could be processed at the Obregon Sugar Factory in Quintana Roo, Mexico.

Protest March

Belize City THE BELIZE TIMES in English 30 Jun 85 pp 1, B

[Text]

Belize City
Wednesday June 26

At 9:00 this morning, Belizeans in their thousands marched from the Central American Boulevard into the heart of downtown Belize City in a massive demonstration.

Cane farmers from the Northern districts were joined by citizens from all over Belize to protest the closure of the Libertad Sugar Factory. They were well received by the residents of Belize City, hundreds of whom joined the demonstration and lined the streets in support. Many too came from the Southern and Western Districts to show solidarity. In a wonderful display of National Unity and organised people-power, some 4000 to 5000 demonstrators in one of the biggest demonstrations ever, marched for Libertad.

The name of the Sugar Factory, doomed by B.S.I. & Esquivel Government - "Libertad" became the battle cry of the day. For Libertad means freedom and many were protesting the flagrant attempts by the Government to suppress their

freedom of speech. Many too were demonstrating for jobs. The many unemployed, and there were many young graduates in the parade, came out to express their frustration with an administration of broken promises and false hopes. One placard demanded: "BUILD BELCAST".

It was a serious demonstration. It was peaceful, orderly and purposeful. The participants were clearly determined to send home a message to the UDP Government: Hundreds of placards proclaimed: "Libertad means Freedom": "Libertad must be saved": "Equal Rights for ALL": "Freedom of Speech - now": "Esquivel - El Cascabel".

The huge demonstration ended up at the Cinderella Plaza with a gigantic public meeting. A statement was read by PUP Leader George Price which calls on the Esquivel Government "to do everything possible to ensure that Libertad is re-opened". The statement further urges the Government "to avoid those policies which are leading us to economic destruction" and demands "that the Government respect the rule of the Law and uphold the Constitution.

BSI Manager's Remarks

Belize City THE BELIZE TIMES in English 30 Jun 85 p B

[Text] The Esquivel government has once again been shamelessly exposed in its lies and distortion of facts--on Radio Belize.

The Esquivel government which continues to maintain its posture that the closure of the Libertad Factory is not a fact, and that negotiations for the continuation of operations are still going on, was ridiculed Wednesday night.

Facing the Nation, on Radio Belize, Belize Sugar Industries' Manager Hugh Fuller emphatically stated that the sugar factory in Libertad had in fact been closed and the services of its employees terminated. In the same programme Mr Fuller stated that 330 employees were laid off on Wednesday bringing to almost 500 the number of employees dismissed so far.

A few minutes after this was revealed to the nation by the BSI Manager, Radio Belize in its nine o'clock news segment described the closure of Libertad as "impending" stating further that negotiations were still going ahead to keep the factory open.

Mr Fuller also told the nation that what hastened the closure of the sugar factory was a demand made on B.S.I. by the commercial banks for payments of outstanding loans, creating a cash flow problem within B.S.I. This indicates the lack of confidence by the banks in the ability of the Esquivel government to successfully reach a solution to the sugar crisis.

Questioned about the much heralded Ethanol Proposal, Mr Fuller made it clear that this project was not feasible and not in the better interest of Tate and Lyle who have repeatedly stated they would not invest any money in the country.

This again is contrary to what Esquivel has been preaching, raising false hopes about the success of the Ethanol project when in fact the prospects are nil.

The closure of the Libertad Factory has been reported in various sections of the press, but the Esquivel government has not yet admitted its failure to keep the factory open.

Belize City THE BELIZE TIMES in English 4 Aug 85 p 7

[Text]

The placards called for jobs, for the reinstatement of Sugar Board Secretary, Liborio Ayuso, and for the resignation of cane Farmers Association chairman Bonifacio Moh. There were others calling for the cancellation of a 5,000 ton license for the importation of white sugar by B.S.I. and the re-opening of the Libertad Sugar Factory.

The occasion was a demonstration in Orange Walk Town on Saturday July 27; the biggest that town has seen. It was a mass protest of the many injustices brought by the Esquivel Government on the people of Orange Walk District. It was made up of mostly cane farmers

from that district. But there many housewives, labourers, students and businessmen too.

The gigantic demonstration lasted well over two hours and ended with a rally at the Crystal Palace Cinema, where a memorandum was presented to the huge crowd. The memorandum called on the Esquivel Government to immediately cancel the BSI importation of sugar, to bring back Liborio Ayuso and to remove Bonifacio Moh as Chairman of the Cane Farmers Association. Speakers included Hon. Guadalupe Pech, Hon. Florencio Marin, Mr. Julian Chell, and Mr. Santiago Rosado.

CSO: 3298/967

BELIZE

PRIVATE SECTOR FACING CREDIT SQUEEZE, BANK REPORT SHOWS

Belize City THE BELIZE TIMES in English 7 Jul 85 pp 1, 12

[Text]

The Central Bank Report for the first quarter ending March 1985 shows that credit to the private sector plummeted while loans to the Government have increased.

Credit to public sector (Government) expanded by \$6.1 million to \$89.8 million while credit to the private sector contracted by \$7.4 million to \$128.7 million. This represents a decrease of 5.2%.

The Central Bank increased its credit to the Government by \$3.7 million to \$30.9 million. Treasury bill holdings swelled by \$3.4 million to \$8.8 million a 63 percent increase. Government of Belize deposits declined by \$0.3 million.

According to the Report, the outlook continues to depend crucially on the Government's fiscal performance.

Revised figures for the 1984/85 fiscal year show an overall budget deficit of \$5.5 million.

Recurrent expenditure increased by \$9.6 million to \$90.8 million in fiscal 1984/85.

For the same period recurrent revenues also increased by \$18.8 million to \$91.4 million. This was off set however by contractions in capital revenues of \$20.6 million.

The Report mentions that the prospects for Belize's trade performance remain uncertain. Targeted production of the 1985 sugar crop has been revised downwards from 110,000 to

102,500 tons of cane. At under 4 cents per pound on the New York spot market world sugar prices have fallen to a 15 year low this year.

The Banana industry is more or less static while

the garment sector continues to grow in terms of value and volume. Marine products for exports are slightly down from last year's figures for the same period. There was some 344,624 pounds of vegetables exported. Yet strangely, the export proceeds amounted to only \$23,700.00 for the quarter. Citrus prices were good. The average price per gallon of citrus concentrate jumped by \$7.07 from \$15.31 in 1984 to \$22.38 in this first quarter of 1985.

The Report emphasized a need for economic and financial structural adjustments in order to improve the balance of payments and strengthen the foreign exchange position.

CSO: 3298/967

BELIZE

NEWSPAPER CLOSES DOWN, CONCERNED OVER FREEDOM OF PRESS

Praise From BEACON

Belize City THE BEACON in English 3 Aug 85 p 12

[Text] A deep sadness has touched most Belizeans by last week REPORTER's [issue not available] announcement of closing down.

The Reporter has undoubtedly served Belize and its people in a highly meritorious manner, since its establishment in 1968.

Its editor has, even under stringent and harassing conditions, remained true to the principles of good journalism.

Mr. Harry Lawrence deserves recognition, commendation and all our thanks, for his dedication to the dissemination of news and information, and for his influence in helping to mould and shape public opinion.

The loss of *The Reporter* will be a poignant one.

In Belize's long fight against oppression and despotism, *The Reporter* was always in the vanguard, preaching the gospel of democracy, freedom, justice and opportunity.

We trust that we are not hearing the last from Harry Lawrence, who has been a victim of all that we have been fighting.

We hope that as on other occasions he will surmount his difficulties, and pray for his early return to the media to continue to give of his integrity, his skill and his experience.

We wish you well Harry.

REPORTER'S Justification

Belize City THE REPORTER in English 4 Aug 85 p 2

[Untitled Editorial]

[Text]

THE DECISION of the management of the Reporter Press to suspend publication of the newspaper is intended as a statement of protest - the strongest we can make - in support of the freedom of the Press.

Under British Law the Press has no de jure rights or freedoms. It's de facto freedom derives from the freedom of the individual - to receive ideas and information without interference and to communicate ideas and information without interference.

Our Constitution, while it goes to extraordinary lengths to define and protect the rights and freedoms of individuals, does not even mention freedom of the Press, even though most enlightened societies recognize this freedom as one of the pillars of the democratic system.

There is a reason why freedom of the Press receives no attention at all in the Master Document which sets out specifically to protect and preserve Belize's democracy, and the reason is to be found in the ideology of the people who framed our Constitution.

If the freedom of the Press is to be no more than an extension of individual liberties and freedoms, life for the free Press would still be tolerable. But recent decisions of the Superior Court have taken away even from this residue, and have made it clear that public officials such as Ministers of government are to enjoy an immunity from public scrutiny not granted to public officials in non-socialist societies.

We believe that the stringent interpretations of the court on political matters reflect the socialist ideology of the persons who framed the Constitution. This philosophy is essence dictates that the State - the Legislative Administrative and Judicial Estates, working in unison, have the right and the duty to regulate freedom in Belize in the same way that it has the right to "mix" the economy and impose its philosophy on others from the vantage point of a strong centralist government.

This new and somewhat sneaky approach to government is something which we of the free Press cannot accept. Socialism is something new for Belize, sprung on us without warning in 1979, when thirty days before elections the

People's United Party brought out a manifesto for the "new and progressive Belize" in which it announced that the PUP would pursue Socialist goals for the peaceful, constructive revolution of Belize.

Since then events have shown that the socialist ideology is at odds with the character and aspirations of the vast majority of the people, though Socialism continues to have its undeniable appeal for some, especially intellectuals and quasi-intellectuals who take their lead from the University of the West Indies and some of the British universities.

We understand the chagrin and anger felt by these people at the premature retirement of the Chief Justice, Mr. George Moe. It represents the removal of the Queen Piece from the chess game-plan of the Socialist conspiracy. We also understand why it is that we, as a newspaper, have been singled out for "special" consideration even though we have never resorted to dishonest criticism or scurrilous reporting.

We accept it as one of the occupational hazards of newspaper publishing, and we hope by our withdrawal as a newspaper to underscore the plight of the free Press in Belize. We would rather be dead than working under ideological constraints!

This newspaper is not seeking to be an unbridled champion of anything. But, as we said someplace before, we have been guided in our quest to serve Belize by the writing of Chief Justice Stoby who in 1960 wrote these words:

"In a democracy the right of the press to criticize the conduct of public men is readily treated as one of the great safeguards in a free society. Any man, be he judge, magistrate, politician or civil servant, must expect to have his conduct exposed to public glare. The knowledge that legitimate and forceful criticism will be forthcoming acts as a check to arbitrary actions by public men.... (who) must be prepared to have their actions analysed in the light of what the modern press consider appropriate, and provided the law is not infringed, bad taste and dishonest criticism must be treated as the penalty for temporary importance."

[Editor's Note: Although other Belize papers for the weekend of 10-11 August were received, no copy of THE REPORTER was in evidence.]

The paper's staff as listed in its page-2 masthead is: HARRY LAWRENCE, editor; DWIGHT LEVY, news editor; R.M. LAWRENCE, circulator; BRENDA GARBUTT, accounts; JEFFERY USHER, lithographer; CARLTON CAIN, lithographer; STEPHANIE TESCUM, compositor; and DERRECK SALDANO, printer.]

CSO: 3298/968

BELIZE

BRIEFS

WESTERN BORDER CLOSURE--Since last Friday, the Western border dividing Belize and Guatemala has been partially closed. Cargo vehicles are lining up on the Guatemalan side loaded with rice, flour and other basic food stuff unable to come into Belize. However, Belizean and Guatemalan civilians are allowed to cross the border. There are reports that the move was taken under direct instructions by the President of Guatemala. While other reports say the partial closure of the border occurred when British Forces were carrying out a military patrol in the area. The Guatemalans meanwhile have reciprocated by increasing considerably their military presence there. It still not known when the border will reopen to cargo vehicles. [Text] [Belize City THE BELIZE TIMES in English 21 Jul 85 p 1]

PUP MEETING--The Dangriga branch of the P.U.P. held a very successful open air meeting Sunday, August 4th, 1985 at 8:00 p.m. at the Central Plaza. The Guest Speaker was Hon Simeon Sampson. The other speakers were Hon D.L. Mckoy, Mr Gilbert Waight, Mr Julian Lewis and Mr Francis Castillo Mayor, Mr Raymond Mejia cheered the meeting that lasted over an hour with lively cheers coming from the crowd. The speakers spoke on the depressing situation the U.D.P. Government has brought about in Belize, adding that there is an urgent need for the return of the P.U.P. to Government. [Text] [Belize City THE BELIZE TIMES in English 11 Aug 85 p B]

CSO: 3298/968

BOLIVIA

KARACHIPAMPA PLANT SITUATION, COMIBOL OBJECTIONS ASSESSED

Government Sets Conditions

La Paz HOY in Spanish 10 Jul 85 Economic Supplement p 2

[Text] The government has assumed the commitment to inaugurate symbolically the Karachipampa Metallurgical Complex, thus solving the conflict presented in Potosi Department.

That information was provided by Minister of Planning and Coordination Freddy Justiniano after a meeting held last night with labor representatives of that complex, officials and the civic committee of Potosi.

Justiniano emphasized that if essential prior conditions are met, such as renegotiation of the conditions of guarantee of plant operation, Karachipampa can begin to operate within approximately 4 to 5 months.

Justiniano maintained that the government has adopted the decision not to waste the investment made in this plant, which amounts to approximately \$160 million dollars.

He stressed that in order to put that plant into operation, certain conditions must be met, such as:

--renegotiating with the financial consortium the guarantees necessary for the full operation of this complex (plant, sections and equipment);

--renegotiating the original conditions of guarantee for the case of the inoperation of Karachipampa because the original contract established a responsibility of only 5 percent of the amount of the investment by the company; the state cannot assume 95 percent of the risk;

--reaching a financial agreement between the Central Bank of Bolivia, the National Smelting Company (ENAF) and the Mining Corporation of Bolivia (COMIBOL);

--seeking the integration of Karachipampa and ENAF for handling the smelting of minerals in the country;

--it is essential not only to increase the national production of concentrates, which only cover 50 percent of the plant's capacity, but to seek toll contracts with neighboring countries that will permit the normal supply of raw material. The complex cannot be put into operation without these supply guarantees. The current reserves of concentrates (34,000 tons) will permit the operation of the plant for only about 14 months.

If these conditions are met, stressed Minister Justiniano, the current situation of the Karachipampa complex can be reversed since it is more advisable to keep it closed rather than operating because it involves less of a loss.

COMIBOL Calls for Postponement

La Paz HOY in Spanish 10 Jul 85 p 9

[Text] According to the Mining Corporation of Bolivia, the entry into operation of the Karachipampa plant should be postponed inasmuch as there is not enough raw material to supply the smelter permanently.

It stated also that the cost of production, which amounts to \$450 per ton, is too high and will certainly entail economic losses for 12 years.

That is the opinion of Victor Lopez, vice-chairman of the nationalized mining company, expressed in a reply to Mario Mercado, candidate for senator of Potosi, with regard to another note which that industrialist had addressed to the corporation.

Raw Material

Lopez maintains that although the plant is ready to be fired up, there is raw material for only 5 months, considering that at the present time there are 22,000 tons of concentrates of lead-silver in storage. The supply from private mining is uncertain due to the low prices of lead and silver. At the present time, small stocks in the Mining Bank and Medium Mining do not guarantee even 1 month's operation at full capacity.

Production

Considering that COMIBOL is the main supplier of raw material, it is estimated that in the near future there will be supply problems in view of the recent decline in production. Thus in 1985, only 10,000 of the 12,900 scheduled will be produced.

The shortfall situation will be repeated in 1987 and 1988 and, in fact, it is not advisable to import raw material under the buy-and-sell or toll system because of the high transportation costs.

"Therefore, it seems to us to be very serious and dangerous to add another losing operation to the country's present economic crisis, knowing that the Karachipampa smelter will entail losses for us for 12 years, in the best of cases, a time period during which 90 percent of the equipment and machinery

must already be replaced. For all of the foregoing, I reiterate the need to postpone the entry into operation until production plans are firmed up to insure years of normal, continuous operation in order not to undergo untimely plant stoppages because a subsequent stoppage would accelerate its deterioration until it stocked new loads of raw material."

That is Lopez's opinion, speaking in the name of COMIBOL, an organization that is part of the Karachipampa Corporation itself.

Complex to Start in 90 Days

La Paz HOY in Spanish 11 Jul 85 p 8

[Text] Potosi--The Karachipampa Metallurgical Complex will go into operation and production within 90 days and the relevant decree will be forwarded to Potosi on Friday of this week.

That is the commitment assumed by the national government last night before a committee of Potosi institutions which spoke to the president of the republic and ministers of his cabinet in La Paz last night.

In view of this information given today by the chairman of the Potosi civic committee at a meeting of the advisory board of the district civic organization, at noon today the workers of Karachipampa lifted the hunger strike they had been maintaining on the premises of the prefecture of the department and plant headquarters since the midafternoon of last Friday.

At the same time, the blockade of the guardposts by the workers of the lead-silver complex was lifted; at the same time, they proceeded to remove giant placards that prevented motor traffic through the main street of Villa Imperial.

However, if another delay in this last government commitment should occur, the Potosi civic committee will take "radical pressure measures, beginning on Tuesday of the coming week."

8711
CSO:3348/827

BRAZIL

CASTALAC SCIENCE CONFERENCE CLOSES, ISSUES DECLARATION

PY030125 Sao Paulo FOLHA DE SAO PAULO in Portuguese 27 Aug 85 p 30

[Text] The Second Conference of Ministers Responsible for Application of Science and Technology to Development in Latin America and the Caribbean (CASTALAC 2), which lasted 1 week and gathered 120 delegates from the region--eight countries were represented by state ministers--in Brasilia, has ended with the signing of recommendations entitled "Great Special projects."

The recommendations foresee the execution of joint projects using advanced technology, such as the teledetection of natural resources and meteorological observations, as well as projects in the areas of maritime resources, petrochemistry, nuclear physics, microelectronics, computer science, technology of materials, biotechnology, aeronautics, and space. It also includes other sectors of vital interest for the region, such as food technology, energy, and telecommunications.

The question of regional cooperation to overcome backwardness in technological development was emphasized in all the 32 recommendations approved yesterday. The same question was mentioned in the Declaration of Brasilia, signed by all who attended the conference, which was sponsored by UNESCO.

Brazilian Science and Technology Minister Renato Archer, 62, who chaired the conference, said it was important that the conference emphasized the use of technology for the region's development. He noted a particular aspect: "For the first time in recent years, the responsibility for the backwardness of the participant countries was not attributed to foreign policy. The countries recognized that the solution to their problems can be found in continental and regional cooperation. They established mechanisms for that purpose."

The recommendations, known as the Great Special Projects, originally would have been made under the acronym PLENETA (Latin American Project for New Strategies for Advanced Technologies). This acronym was changed to GPC but the objective is the same: To have an equivalent of the EUREKA project for the Technological development of Western Europe in Latin America.

The Declaration of Brasilia stresses the need to use science and technology to improve the standard of living in the region; to use science and

technology for peaceful ends; to apply science and technology on a priority basis for the solution to critical problems in the area of health, nutrition, housing, education, professional training, and so forth.

The declaration also affirms that the foreign debt problem should not stymie the possibilities for scientific and technological development of the region, and notes that the trend towards democratization constitutes a positive factor for regional cooperation.

CSO: 3342/253

BRAZIL

BRIEFS

SARNEY VISITS ARMY TECHNOLOGICAL STUDIES CENTER--After the ceremony installing the constituent assembly committee President Jose Sarney traveled to Rio de Janeiro with his cabinet. Together with nine ministers and Governors Leonel Brizola and Jose Aparecido, President Sarney started his tour by visiting the Army Technological Studies center [Centro de Estudos Tecnologicos do Exercicio--CETEX] in the (Guaraciba-Marambaia) complex. The president and his entourage arrived here at 1430 by a special bus from the Galeao Airport. After the usual military greetings, President Sarney listened to an address delivered by General (Heraldo Ericssen), Army science and technology secretary, who spoke about the CETEX which was created 6 years ago to carry out technological research to modernize and nationalize Armed Forces equipment. Afterwards, President Sarney went to the (Marambaia) experimental field where he saw a demonstration of a surface-to-surface rocket launcher built by the Brazilian Air Space Industry [AVIBRAS]. The first rocket launched has a 62 km range. Three other rockets launched have a 40 km range. President Sarney later saw demonstrations of the improved Osorio and Orotu armored personnel carriers which were completely developed by Brazilian industry and are exported to other countries, such as Iraq. From CETEX, President Sarney and his entourage went to [name indistinct] in Sao Conrado where the president dedicated national book day last Monday. [Text] [Brasilia Domestic Service in Portuguese 2200 GMT 3 Sep 85 PY]

CONCERN OVER MARANHAO MILITARY BASE--Today in Congress, Deputy Mauricio Ferreira Lima expressed his concern over the installation of a military base in Alcantara, Maranhao, and over the debate that arose after it became known that the rocket launching center would reserve a special restricted area for the launching of U.S. space shuttles. Despite being satisfied with the technological exchange that will result from this initiative, Lima said that this project may place Brazil among the possible strategic targets of the great world powers. He criticized the military for not consulting the national Congress on this subject. [Text] [Brasilia Domestic Service in Portuguese 2200 GMT 4 Sep 85 PY]

CONSTITUENT ASSEMBLY COMMITTEE INSTALLED--Upon concluding the ceremony dedicating independence week, President Jose Sarney and his cabinet went to the Justice Ministry to install the committee that will be in charge of drawing up the draft bill for the National Constituent Assembly. Upon installing the constituent assembly committee President Sarney stressed his

commitment to the National Alliance and the Brazilian people's wishes. Sarney explained the role of this new committee. [Begin recording] It will not meet to tell the constituents what they should or should not approve. It will meet to listen to the nation, to discuss with the people their aspirations, to encourage citizens to participate in the debate process within (?a patriotic framework), and to encourage them to choose their constituent delegates well. [End recording] [Excerpt] [Brasilia Domestic Service in Portuguese 2200 GMT 3 Sep 85 PY]

U.S. DECISION ON SHOE IMPORTS--President Ronald Reagan has announced his decision to reject the imposition of quotas on imports of foreign shoes. This decision has been conveyed to U.S. shoemakers and union leaders, who reacted with irritation. In Brasilia, Foreign Minister Olavo Setubal appeared euphoric when informing the press at Itamaraty of the decision by the President of the United States. According to him, the mobilization of government, businessmen, and politicians on the issue has been the greatest ever behind a question of foreign trade and foreign policy. [Text] [Sao Paulo Radio Bandeirantes in Portuguese 0230 GMT 28 Aug 85 PY]

FUEL PRICES RISE--Now it is true, the price of fuel has gone up as of today. Gasoline has gone up from 2,470 cruzeiros per liter to 2,580; alcohol from 1,300 to 1,670; diesel from 1,730 to 1,810; a 13 kg bomb of cooking gas from 18,200 to 19,000. The average increase of fuel prices is 5 percent. [Excerpt] [Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 30 Aug 85 PY]

CSO: 3342/253

CHILE

PINOCHET APPOINTS 10 NEW METROPOLITAN REGION MAYORS

Backgrounds Outlined

Santiago EL MERCURIO in Spanish 15 Aug 85 p C-2

[Text] A female professor, a private businessman and a journalist are among the new mayors appointed yesterday in the Metropolitan Region.

Lina Aguirre, widow of the former mayor of Peñaflor, Luis Araya Cereceda, who died a few days ago, was appointed there. In Quilicura, Francisco Romo will assume that position for the third time.

Carlos Varas Vildosola (page C-1) took office in Las Condes.

La Cisterna

Mariano de Sarratea Rosales, 35 years old, married with two children, was director of social development of the municipality of Estacion Central since the creation of this municipality last year.

A social scientist, he was professor of economics at the University of Concepcion and professor of industrial relations and organizational development at USACH [University of Santiago de Chile]. He was also director of student relations at Federico Santa Maria Technical University.

La Granja

Commercial engineer Marcos Romero Zapata, 39 years old, is the owner of two service stations in the community of La Reina. He said he had never before held a public position.

He is married and has three children. Asked about his appointment, he said that government people had talked to him several times about it.

San Bernardo

The mayor of San Bernardo, Cristina Salas Wenzel, has been in education for 23 years. She was director of Secondary School No. 128 for girls in this community at the time of her appointment.

She is an English professor and represents the San Bernardo zone for the Youth for Understanding Organization. She has worked in different educational establishments in the municipality and was also director of Secondary School A-1 of Rancagua.

She is married, 45 years old and has three children. Her husband is also an English professor. When contacted by this newspaper, she stated that her appointment was unexpected and signifies "a distinction, a great honor," for her.

Puente Alto

German Moreno, the new mayor of this community, is 55 years old and a journalist.

He was press attache and assistant consul in La Paz and later transferred to Costa Rica. He was also director of communications for DINACOS [National Mass Media Division].

He held public positions under the government of Carlos Ibanez del Campo--in the Secretariat General of the Presidency and the Ministry Secretariat General of Government--and has also been in private enterprise.

He is married and has two children.

Quilicura

The new mayor of this municipality, Francisco Romo Lira, is from here and held the same position twice before.

He is 60 years old, married and has one son. He is a farmer and was director of the Rodeo Federation of Chile.

Talagante

Luis Alberto Infante Barcelo, a 29-year-old civil engineer, was community secretary of planning in this municipality until yesterday.

Married, he told this newspaper he had been in that municipality for a year, having been in private enterprise in the Penaflor area before.

When asked by this newspaper, he set as the priority task continuing the work to take care of the effects of the earthquake last 3 March.

San Pedro

Mario Bustos Taricco will take office in this community in Maipo Province. He has done most of his work in INDAP [Agriculture and Livestock Development Institute] where he even held the position of cabinet chief of the national director until last year.

Since January 1985, he has been personnel chief of the municipality of Lo Prado. He is married, 45 years old and has three children.

Colina

Agricultural engineer Andres Subercaseaux Salas, 37 years old, has held positions in the agricultural sector and now works on a joint project with Catholic University and the FAO [Food and Agriculture Organization].

He is married and has three children.

Las Condes Mayor

Santiago EL MERCURIO in Spanish 15 Aug 85 p C-1

[Excerpt] Carlos Varas is 44 years old and married to Isabel Infante. He has four children and a fifth on the way. His curriculum vitae includes work in the Legal Department of the FACH [Chilean Air Force] as a law student; his appointment as judge of the Maipu Local Police in 1972; and his promotion in 1974 to First Court of the Santiago Local Police. He is director of the Automobile Club of Chile and a member of the Rotary Club which he headed until April.

Curiously, with this new position he will assume in the first week of September, he will be in charge of his father, Carlos Varas Lavandero, an architect and former municipal official.

7717
CSO: 3348/900

CHILE

NEW MINISTER OF ECONOMY LISTS MOST PRESSING TASKS

Santiago ERCILLA in Spanish 7 Aug 85 pp 16-17

[Interview with Juan Carlos Delano Ortuzar, minister of economy, at his office; date not specified]

[Text] He could be defined as a /minister on wheels/ [in italics]. When ERCILLA talked to the brand-new minister of economy, Juan Carlos Delano Ortuzar (44 years old, married, four children and active business leader until 29 July), he was still not used to being addressed as "minister." He smilingly corrected us: "Say Juan Carlos, nothing else." He also confessed that he still has not heard the presidential telephone ring.

"One thinks many things in life but this is one of those things I never imagined," Delano stated while seated at his ministerial desk facing a row of buttons and speakers. He is just learning how to operate them. Although he stopped his round of meetings with top people on the economic team and his advisers to firmly take the reins of his ministry, Minister Delano granted us this interview.

When asked what his line of action would be, he pointed out in a slow but firm voice: "Many truths can come out in dialogue that I might not know. They might be able to convince me that there are better ways to develop this country. I am willing to listen to everyone and together seek the truth and the way to progress."

[Question] In your opinion, what are the main problems that your ministry now faces?

[Answer] The debt is unquestionably important in the short term. It is a problem that is there and will be there as long as the country does not grow steadily. This means maintaining the income of Chileans at the same level as debts grow. I also think the country has a latent problem which is part of the philosophy of this government: to save private enterprise. It has been kept in a seminationalized or intervened situation for a long time. I think it is necessary to give major emphasis to denationalization. I am very clear about that and I am going to work on that. A third problem is poverty, unemployment. In order to pay the debts and let the country grow, it is necessary to seek growth in jobs and income. The only way I see to do this is by increasing exports.

[Question] You said that wages should increase as debts do. What chance is there that real income will not continue deteriorating?

[Answer] It is hard to set a date for this. As long as massive unemployment continues, it is unlikely that wages and salaries will increase in real terms for the average Chilean. If there are unemployed willing to work for minimum wage, it is very unlikely that someone earning minimum wage will receive a raise.

We must be concerned with providing jobs so that all the unemployed have work and the PEM [expansion unknown] and POJH [expansion unknown] are productive. As the demand for employment grows, wages and salaries are naturally going to grow. At this very moment, however, I unfortunately consider it difficult to pretend that there will be an increase in wages and salaries beyond inflation in the short term....

[Question] But at least at the rate of inflation....

[Answer] It would even be an achievement at the rate of inflation. I don't think we can achieve that while the current levels of unemployment and PEM and POJH persist.

[Question] The UF [Development Units] influence the growth of debts. In your position as president of the Chamber of Commerce, you indicated that your association was seeking alternative formulas that were equable and just in order to solve this problem. What ideas do you bring to the ministry on this?

[Answer] From what I managed to find out in the few days I have been in the government, I think the best chance for debtors to catch up--I am talking about businessmen in general--is if each businessman negotiates directly with his creditor. There is clearly a willingness for the creditor bank or financial entity to negotiate the due date and even lower the debt if necessary. A bill is being studied for the bank to even capitalize part of the debt. This means that the bank can agree to be a partner of the creditor to take the financial burden off him if he sees that the business is productive.

[Question] Will this be a general norm for all banking entities?

[Answer] Normally, the business associations say that this or that bank is not willing to negotiate. As minister of economy, I would ask all business associations that have this problem to send me a list telling me what bank cannot negotiate under what conditions. The basic problem is for the country to grow. We have to put special emphasis on turning ourselves into an exporting country because, with the current domestic demand, the only thing we will achieve--and I am repeating someone else's phrase that seems very graphic to me--will be to redistribute poverty.

[Question] What happens with that other great legion of UF debtors who are not businessmen?

[Answer] The banks are constantly negotiating debts for consumer credits. I still don't have an answer about mortgage debtors because I don't know the details. I don't know the real dimension of these debtors.

[Question] Figures show that 17 percent of the mortgage debtors are delinquent.

[Answer] That might be. Actually since August 1981 when obligatory indexing of wages was frozen, those most hurt have been those who had high incomes. When I say hurt, I am referring to readjustments.

[Question] Why do you say hurt?

[Answer] Because all the readjustments made are based on income for a logical reason: the one at the bottom might be experiencing a desperate situation while the other continues to have a larger cushion to fall back on. However, the one who had the cushion at best already used it and is no longer paying his debts.

[Question] You mentioned that one of the priorities of your administration will be the denationalization of enterprises. How will this be done?

[Answer] With some, the problem is complete ownership. These will be bid on as enterprises. With others, the problem is packages of shares which will also be bid on. I have already worked hard on this in the few days I have been here. I already had to vote on the bidding for Machasa. A second one will come up soon and is already being studied. It is under CORFO [Production Development Corporation].

[Question] In other words, you will step on the accelerator in this denationalization process.

[Answer] Yes, I am going to spend a high percentage of my time denationalizing the country.

[Question] You have also emphasized the importance of exports as a growth factor of the national economy. There are those who say: "There is a lot of noise and little action." What is your opinion?

[Answer] I think almost everything has already been said about exports. My idea is not to talk but do the things that have been said. I have already had some meetings in which we devoted a major part of the time to this topic. Some of the solutions are progressing. In the next 30 or 60 days, there should be news about implementation of all this.

[Question] You used to worry about the rates of the public enterprises. How will you tackle this problem?

[Answer] Yes, that worried me and continues to worry me a lot. In order to make some decision, it is necessary to know the problem. I know there is a mechanism by which these rates are readjusted. I want to review that mechanism to see if it seems just to me. Looking at it from the outside, as a

citizen, it seems to me that the rates rise at an accelerated speed that does not have any relationship to the income of the Chileans. The only thing I can say now is that I have the same concern that any person might have who has to pay these amounts every month.

[Question] Are you satisfied with the current tariff system of 20 percent across the board with the application of subsequent surcharges?

[Answer] The formula we have reached seems reasonable to me. It seems to me that it is flexible.

[Question] But the industrialists indicate, among other things, that the procedure to set the surcharges is awkward. It causes uncertainty due to its term of 180 days....

[Answer] I agree that this is a problem. However, the possibility of raising tariffs to 35 percent would mean that supplies for exports would also rise so a reasonable mean has been sought. The 20 percent is a big enough barrier. I don't see any alternative since each producer defends his own product.

7717

CSO: 3348/900

CHILE

BRIEFS

OFFSHORE OIL PRODUCTION--Punta Arenas--ENAP [National Petroleum Enterprise] today hit the 9 million cubic meter mark in its offshore oil operations in the Strait of Magellan. This is equivalent to 56.5 million barrels, the traditional unit of measurement. This production totals about \$1.5 billion at the international market price. The work in the Strait of Magellan began in 1976 when the first oil platform, "Ostion Numero Uno," went into operation. There are six deposits today and 250 wells. According to an ENAP spokesman, there are now 25 platforms in production in the Strait of Magellan and another 25 installed. These represent 31,400 tons of structural steel. About 74 percent is tubular material acquired abroad, mainly in Japan. The remaining 25 percent are cross-sections, sheets and other parts manufactured and purchased in Chile. The highest platform is the so-called "Posesion Tres" that measures 60.5 meters from the seabed to the deck level. It goes up 8.5 meters more to the heliport. This is equivalent to a 26-story building. ENAP considered the 9 million cubic meter mark in the Strait of Magellan "very important." Some 43 million cubic meters extracted from land deposits since 1947 can be added to equal about \$7 billion. [By Francisco Eterovic] [Text] [Santiago EL MERCURIO in Spanish 15 Aug 85 p C-5] 7717

CSO: 3348/900

COLOMBIA

LIBERAL COLUMNIST CALLS SANTOFIMIO REAL HEAD OF PARTY

Bogota EL TIEMPO in Spanish 14 Aug 85 p 5-A

[Article by Daniel Samper Pizano]

[Text] With confirmation of the candidacies of Luis Carlos Galan and Virgilio Barco, the liberal breakaway has been definitively launched. Within a few weeks the conservative convention will elect Alvaro Gomez Hurtado, and the three candidates will then each be on his own terrain. The fourth candidate, Alvaro Uribe Rueda, is barely visible in the polls. And as for Jotemilio, all indications are that he will lose in his party's caucus. Some long months of campaigning lie ahead thereafter, which--all signs point to it--will be more bitter between the liberals themselves than between them and their conservative rival.

The polls as of now provide no clear indications as to the future. Some concede victory to Barco. Others confer the advantage on Galan. Gomez, in any case, appears to be running very close to the other two. The forces may be said to be distributed in more or less similar proportions. Some notables who had been delaying changing sides have now done so (Marino Renjifo has gone over to NL [New Liberalism], but on the other hand Cochise Rodriguez has gone the other way; only the man in the street can say which is the better known). No further important shifts are foreseeable from this point on. However, NL can now begin to pick up support. Not so long ago, it was joined by Hernando Echeverri Mejia (ex-candidate of the Left in 1974) and Pedro Cadena Copete (leader of the liberal forces for Belisario in 1982). The Firmes movement has shown some affinity for Galan. Alvaro Gomez stresses the national character of his movement (which is a way of calling it supraparty), and the Christian Democrats can be expected to line up with it, as will also some liberals who will stray from the fold, to confirm the breadth of appeal of Alvaro's campaign. If the trick helped Belisario, why not also new-new Alvaro?

What most worries the liberal ranks is the dent Galan will make in the liberal vote. It happened 3 years ago. Some blamed Galan for the fall of the PL [Liberal Party]--without realizing that the PL didn't actually need Galan to topple it. What did it in was the two liberal Administrations. Others, however, citing convincing figures, argue that, without Galan, Lopez's defeat at the hands of Betancur would have been even worse. At this

juncture, gainsayers will appear in support of one interpretation and the other. Which one is right is anyone's guess. But in the final analysis, it makes no difference. Personally, I have analyzed the phenomenon detachedly and, after many calculations and extrapolations, I have arrived at the conclusion that if Galan is really the obstacle to the return of the PL to government, I couldn't care less.

Tell me, with hand over heart: What will the country lose if the liberals in government are chucked out? Are we really going to lament the loss of their quotas of power in a liberal government by the Santofimios, the Guerra Sernas, the Names Teran, the Guerra Tulenas? Will Colombia's losses be serious if the governor of Boyaca is not the pawn of Maria Izquierdo, if the governor of Caldas is not that of Luis Guillermo Giraldo, and if the governor of Valle has been put there by Holmes Trujillo? Virgilio Barco is a good Colombian, an efficient technician, an honest, upright man. But--with some honorable exceptions--he is surrounded by a hair-raising political ilk that supports and nurtures him, with the expectation of being supported and nurtured by him during the next 4-year term. The anxious effervescence of Turbayism that envelops him is palpable, notwithstanding that his initial choices of top-level staff, made as leader of the party, included some worthy names. The PL convention showed that the real head of the party is Mr Santofimio. He imposed the order of business, the management of the meeting; he was its real winner. Elections, yes; ideologies, no. In the plans of his circle of friends, one goal is already clear: Barco in 1986 and Santofimio in 1990. Sincerely: Is the winning of these elections, at any cost, by this ruin which the PL is today, worthwhile?

The Alvaro Gomez alternative is not much better, of course. To differentiate a conservative political boss from a liberal one requires a computer, a political science degree from Harvard, and a urine specimen. There is very little to differentiate an Omar Yepes from a Luis Guillermo Giraldo, a Gustavo Rodriguez from a Mercedes Rojas de Rivera, or--for that matter--a Julio Cesar Turbay from a Misael Pastrana. Those who believe in sudden metamorphoses may find it possible to believe that this smiling, comprehending Alvaro of today is the same sectarian notable of yesterday. But that has yet to be proven. The images created by smart public relations people are one thing; hard realities are another.

There are still those who tremble at the shout of "The Goths are coming!" But they are increasingly fewer in number. The Goth was feared because he was a repressor, because he put ultracapitalist economic bosses in power, because he built international links of dependency, because he obstructed the democratic and intellectual processes. And we found that between 1978 and 1982, under a liberal government, we had a plethora of all those things. Even attempted coups against the Supreme Court of Justice. I prefer a Goth like Belisario Betancur to a liberal like Turbay. Despite his misguided acts and unkept promises, Betancur at least preferred an unassured peace over an assured repression and an international policy distanced from servitudes; he pilloried unscrupulous bankers rather than shower them with generous freedoms; and he created a breathable atmosphere of political freedom.

It is said that Galan can't win, that the machinery--whose weight is already making itself felt--will crush his candidacy. Only the election results will be able to say whether the revitalizing platform he is offering will be crushed under the weight of discipline and of the machinery, or whether he has succeeded in shaking up that apathetic electoral fringe which, in its momentary awakenings, has produced the only political surprises in our recent history: Gaitanism, the quasi-election of Rojas Pinilla, and the triumph of Belisario Betancur over Lopez Michelsen.

In any case, better to lose with Galan than to win with the liberal and conservative political bosses. Sometimes, we columnists are duty-bound to clearly inform our readers regarding our political likes and dislikes, so that they can know what to expect from us. Perhaps this is the moment to state that next year I intend to vote, from the tip of my index finger to my collarbone, for Luis Carlos Galan Sarmiento for President of the Republic 1986-1990.

9399

CSO: 3348/908

COLOMBIA

NEW LIBERALS PROPOSE 7 BASIC TAXES; AGRARIAN, MINING REFORMS

Bogota EL TIEMPO in Spanish 8 Aug 85 p 5-D

[Text] The New Liberals have proposed transforming the country's tax structure and reducing the system to no more than seven basic taxes, as well as the evaluation and adjustment of the Upac system.

This proposal is contained in the program which the movement passed at the congress held over the weekend, a program that also envisions the need to orient scientific and technological research in order to increase productivity.

The economic policy of the Galanist program includes generating jobs through increased productivity and improving the standard of living of small farmers, landless workers, the urban unemployed and independent workers.

With respect to agricultural policy, the program points out that New Liberalism "supports an overall agrarian and social reform that will take into account the characteristics of each region in the economic and social spheres" and adds that the government, through the Colombian Institute of Agrarian Reform (INCORA), will point out the areas in which agrarian reform programs would be carried out "because of national production reasons, serious social conflicts, public disturbances or the needs of a considerable number of landless peasants in specific regions."

Concerning the coffee policy, the document states that a framework must be conceived that would reconcile participation in the international market, increased revenue for coffee growers, the handling and cost of inventories and correct management of the finances of the National Coffee Fund.

"We propose to orient subsidies toward the small coffee grower and seek levels of inventory on the order of 16 percent of world stocks. We must maintain a real domestic price in the years to come and increase it based on the effects of rust," the New Liberals say.

Concerning the sugar crisis, the movement deems it necessary to diversify and partially change crops in cane-producing regions, especially in Valle del Cauca and in the northern region of the Department of Cauca.

Concerning the manufacturing industry, it is maintained that we should create "an export industry based on large sales on the internal market serving to

support the financial structure. The key is the commitment of all government entities to an export program that will not reduce everything to PROEXPORT programs."

Small and medium-size industry "must not be viewed as a sum of different enterprises, but rather, as a production sector whose common denominator is the factors of its productive scale in a process of industrialization having common characteristics, problems, thrust and needs."

For New Liberals, the mining policy should undergo revision of the system of royalties in medium-scale mining depending on the characteristics of each mineral worked. The basic premise would be the design of mechanisms to pay royalties in terms of the volume of production, considering international prices for products and the effective profitability of the operation.

Mining policy should show a transfer in the function of commerce, avoiding speculation and stockpiling and promoting credit, facilitating and simplifying official procedures, continuing the fight against smuggling and organizing seasonal sales centers.

Institutional reforms are proposed for energy: the creation of regional electric corporations, the promotion of substitutes for hydroelectric power, the establishment of rate scales to penalize large consumers and subsidizing smaller users, concessions for cooperative and municipal associations in order to create mini-power plants in remote areas, the promotion of linkage of the national industry to electric development and promotion of policies to preserve hydrographic basins.

New Liberals "will continue to ensure regulation and application of Law 42 in order to prevent the creation of monopolies and the concentration of power in large television programmers and they will oversee the process of regional channels so as to guarantee their quality, prevent risk and help them avoid becoming the tool of political proselytism."

The movement supports the idea of drafting an organic law on tourism and in the area of urban policy, maintains that it is necessary to have a code that "will permit the effective transformation of idle land, regaining the increased value of land generated by the activity of all society and guarantee all citizens a similar quality of life through the provision of basic services."

Regarding public services, the Liberals propose to create a national fund to finance new services and necessary expansions so as to free enterprises from the currently high cost of financing in foreign currency.

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CSO: 3348/907

COLOMBIA

PATRIOTIC UNION WILL NOT SUPPORT NEW LIBERALISM CANDIDATE

Bogota EL TIEMPO in Spanish 13 Aug 85 p 16-C

[Text] Virgilio Barco does not offer potential at this time as the revitalizing alternative the people are demanding, said Senator Luis Carlos Galan yesterday, as he defended, in passing, his talks with the UP [Patriotic Union], which shortly before that had discarded the possibility that it might support the supraparty candidate.

The parliamentary member from Santander added that the results of the PL [Liberal Party] convention are not those the country needs.

Galan Sarmiento declined to comment on the homage rendered by the members of Parliament and the attendees at the convention to the former members of his group, saying that the meeting had proceeded normally. "There was nothing new, no surprises," he said.

Referring to his talks with members of the UP, the political arm of the FARC [Revolutionary Armed Forces of Colombia], he indicated that his movement had been the last to talk with that group.

"Enrique Santos Castillo spoke with them before and never published anything concerning that fact in EL TIEMPO. The PC's [Conservative Party's] National Directorate had talks with them before and the media gave that fact no importance. The party in power in the Government has talked with them, has just recently done so; we were the last to do so," he pointed out.

He said his group believes in a democratic state with a controlled, pluralist government, with institutions that will not permit authoritarian or totalitarian governments.

Another Model

"There are other political sectors that prefer another model of state, but we in any case want to hear them out, because we believe that everyone can evolve.

"Over 6 years ago, New Liberalism extended invitations to those groups to begin a process of restoring the institutions, to put aside arms and to struggle for their political ideas while adhering to the institutions and game rules of democracy," he said.

He stated that the UP has started to move in that direction and therefore cannot be treated like lepers, "as some reactionaries are trying to do, who reject that type of dialogue, who manifest prejudices that, in my view, are mistaken, anti-liberal."

In another context, he said that to date he has not received any official invitation to dialogue with the head of the FARC, Manuel Marulanda Velez-- "Tirofijo"--"although he is a possibility not to be discarded, as is any other Colombian political leader, provided his sights are set on the consolidation of a peaceful process and the development of Colombian democracy."

In reply to a question as to whether it is true that he will retire from politics after the parliamentary elections if he fails to receive an electoral vote greater than or at least equal to those of past elections, he said: "I am fully convinced that our strength will multiply and will emerge as the majority. We have 9 and 1/2 months ahead of us in which to demonstrate that, and, considering that previously we managed to wage a campaign with very few weeks at our disposal and very little experience, and still had as good results as we did in 1982, well, that achievement doubles our confidence, because now we are going to redouble our efforts."

Yesterday, in statements made by Commander Osias Ollaga, who regretted that the leader of New Liberalism is seeking only support for his candidacy and not platform pacts, the UP discarded definitively the possibility of supporting Galan's candidacy.

Ollaga confirmed the meeting that UP spokesmen had held Saturday with Galan and disclosed that unbridgeable differences had surfaced at that meeting, that make it impossible for the unarmed wing of the FARC to support the "supraparty" candidacy.

9399

CSO: 3348/908

COLOMBIA

MINISTER PROPOSES INTERNATIONAL FINANCE CENTER ON SAN ANDRES

Bogota EL TIEMPO in Spanish 9 Aug 85 p 14-D

[Article by Gustavo Hernandez C.]

[Excerpt] The minister of development Gustavo Castro Guerrero, put before the representatives of civic and economic associations of this archipelago, today, the need to create for the insular zone a free trade and industrial zone totally exempt from taxation, as well as a free international finance zone, similar to those that exist in the Cayman Islands, the Bahamas and Panama.

Referring to Law 22 now being deliberated in Congress, the minister said "the proposed law would enable us to create a monetary exchange system that would facilitate the setting up of an international finance system in San Andres similar to those existing in the Cayman Islands, the Bahamas and Panama. [This passage repeated as published].

It would also facilitate giving San Andres a new impetus in the nature of a free zone. "Besides," commented Castro Guerrero, "if this law is not enough, we can use the new law presently being discussed in Congress to also create here an industrial and commercial zone to resolve the commercial transit problems."

He stressed that "this zone would be tax-free because the law presently under consideration creates a total exemption from taxes and a freedom of monetary exchange that would permit San Andres to emulate and compete with Colon and with all the existing free trade zones in the Caribbean and the Far East."

The proposal received immediate support from the president of the governing junta of Fenalco, Sabas Pretel de la Vega, and from Senator Emilio Urrea Delgado.

Participating in the meeting, in addition to Minister Castro Guerrero, were: Governor Simon Gonzalez; the national directress of INCOMEX [Foreign Trade Institute], Nora Rey de Valderrama; the national chairman of COTELCO [Hotel Corporation of Colombia], Ismael Enrique Arciniegas; and the representative of the Chamber, Benlevi Petchalt Mesa.

Since Law 22 is expected to be passed before 18 January 1986, the minister asked the islands' associations to submit with the least possible delay their reservations and concerns so that another meeting can be held next October at which the terms of reference of the creation of the international finance zone and of the free trade zone will be discussed in detail.

9399

CSO: 3348/908

COLOMBIA

GOVERNMENT, LABOR, BUSINESS AGREE ON 'SOCIAL PACT'

Bogota EL TIEMPO in Spanish 7 Aug 85 pp 1-A, 3-B

[Article by German Navarrete, editor of EL TIEMPO]

[Text] The Government and the Democratic Trade Union Front agreed yesterday on a "social pact" to facilitate unified solutions among the state, the employers and the trade unions, and prevent major work stoppages and strikes.

The means of its implementation will be known as the "National Economic and Social Unification Board," into which the present National Boards of Wages, Labor and Migrations will be merged. The pact will be discussed this week with the production sector associations and, after review by the National Labor Board next week, will be submitted to Parliament by the Government for its conversion into a law of the Republic that will make it binding on the three parties.

Since the new Board will embody equal representation, voice and vote by: 5 representatives of the Government, consisting of the ministers of labor, finance, development, and agriculture, and the head of national planning; 5 representatives of the private sector, consisting of the presidents of ANDI [National Association of Industrialists], FENALCO [National Federation of Businessmen], ACOPI [Colombian Association of Small Industries], SAC [Association of Colombian Farmers] and CAMACOL [Colombian Chamber of Construction]; and 5 representatives of the workers, consisting of the presidents of the labor organizations CGT [General Confederation of Labor], CTC [Confederation of Colombian Workers], [portion of text omitted as published] [Confe]deration of Colombian Pensioners (CPC)--the resulting tripartite agreements are fully expected to ensure the social peace of the nation.

Towards Equitable Tripartite Relations

The new economic and social board will meet regularly in April, August and December, and specially when any one of the parties deems it appropriate. Its charter, according to disclosures made to EL TIEMPO by Jose Corredor Nunez, president of ULTRACUN [expansion unknown], has the support of President Belisario Betancur and seeks to create equitable and fair relations among the Government, the employers and the working class, so as to eliminate the sources of tension that are commonplace today among those parties.

Concurrent with the indefinite postponement of a meeting between the Democratic Trade Union Front and the minister of finance that was to have addressed issues relating to foreign debt, wage policy and the 10-percent ceiling on wages, the level of 75 percent for pensions paid by the ISS [expansion unknown], the freezing of prices, and public service rates, the minister of labor, Oscar Salazar Chavez, and the Democratic Trade Union Front agreed that the new board should include representatives of the Government, the workers and the employers in all of the nation's departmental capitals, so that the views of all Colombians could be taken into account in solutions to problems of national scope.

The Congress of the Republic, through the vice president of the Chamber of Representatives and the dean of the Cooperative University of Labor, Cesar Perez Garcia, announced that, since the initiative seeks to guarantee social peace among the Colombians, it will have the backing of Parliament.

9399

CSO: 3348/908

COLOMBIA

MANUFACTURERS GROUP ISSUES STATEMENT ON ECONOMIC POLICY

Bogota EL TIEMPO in Spanish 14 Aug 85 p 14-A

[Text] After hearing and analyzing the resolutions recently passed by the Monetary Board aimed at relieving the difficulties of the financial and industrial sectors, the National Association of Manufacturers has expressed its opinions on these official norms in the following terms:

1 -- Without any question, the economic team has made a noteworthy effort, within the considerable limitations placed on the government with respect to monetary policy, to find a way out of the very delicate situation in which the financial entities and a large number of companies have for some time found themselves, a situation preventing them from carrying on their activities in a normal fashion due to the impossibility of meeting their debt commitments on time.

2 -- Among the set of resolutions issued, those referring to the support for small industry (Resolution 53) and the capitalization of enterprises (Resolution 55, Business Capitalization Fund), are viewed as proper in their conception and do respond to urgent needs.

It is fortunate to see that the monetary authorities have given consideration to the financial problems of small and medium-size industries and that they have established mechanisms for adequate refinancing of their commitments.

In addition, expansion of the Business Capitalization Fund and of economic sectors with access to that Fund is considered proper. Provisions making it possible to raise the maximum level of rediscount based on resources of the Fund, along with the maximum sum that can be financed, will help improve capitalization in many cases and to extend the effective benefits which the Fund has had on different areas of production.

3 -- In contrast with the foregoing, resolutions relating to the recovery of financial entities (Resolution 52) and the refinancing of big industry (Resolution 54) have disadvantages that make them practically inoperative and inadequate in every way with respect to resolving the financial difficulties of banking and industry.

The main drawbacks and limitations of the previously mentioned resolutions are the following:

a -- The requirement that reorganization agreements be made that are acceptable to the Banking Superintendency, in keeping with Circular 043 of 1985, is without any question the greatest obstacle to making the resolutions operative.

That requirement provides that refinancing granted by the financial intermediary must be within the context of unanimous agreements with all the creditors of the enterprise trying to obtain that benefit. Obviously, this requirement substantially obstructs the reorganization of the financial sector because in practice, it is impossible to obtain agreements with all creditors within a short amount of time. Even the conclusion of such accords is impossible when any creditor, regardless of the magnitude of the debt compared with the total liabilities, vetoes the conclusion of the agreement.

Furthermore, Circular 043 of the Banking Superintendency results in the fact that a business operating under a special arrangement or that is in bankruptcy is in a privileged position compared with those continuing to operate on normal terms, given the fact that in the case of the former, decisions are made by a majority and not unanimously, as in the case of the latter.

Furthermore, it should be emphasized that a commercial debtor that has not requested the conclusion of a special arrangement with creditors and has not declared bankruptcy enjoys absolute autonomy to make such agreements with all or part of the creditors. It must not be forgotten that the legal capacity interpreted as the power to make autonomous commitments, without permission from anyone, is the attribute of legal subjects conferred by law, which no administrative authority can restrict, much less through a circular.

b -- The capitalization requirements established for financial entities as well as for large enterprises requesting an extension or renewal of their debts now represent a nearly insurmountable obstacle. It is easy to understand that the circumstances are not favorable for finding abundant new resources that would make it possible to meet established norms.

The situation of the textile, iron-and-steel and national engineering companies involved in public works is particularly complex, for the requirement that they first capitalize at least an amount equivalent to 50 percent of the extensions or renewals they request is almost a utopia. Unfortunately, in the preliminary considerations of Resolution 54, the Monetary Board admits that there are "urgent needs in the national economy; forgot this in the articles and established conditions characteristic of an economy of abundance and with a surplus of capital!

For its part, in Resolution 52, financial institutions are committed to effectively increasing their capital paid in successive periods and in an amount equivalent to the sum of the loans obtained, by 31 December at the latest. This requirement does not have the enormous limitations from which the financial sector now has and the difficulty of finding fresh resources making it possible to meet the requirement.

c -- In the case of prorogations or renewals to which Resolution 54 refers, the reduction in the rediscount percentage from 100 to 80 makes them unattractive to financial entities and places a new burden on them, thereby limiting the practical application of the resolution.

d -- Both in Resolution 52 and 54, an unnecessary link is established between operations to refinance the internal debt and those relating to debts in foreign currency. Access to the new provisions is only available to enterprises which, having had recourse to Resolution 33/84, have concluded the necessary agreements to refinance their foreign debt within the time limits set.

One sees that instead of easing the solution of internal debt problems, such problems are then linked to the difficult situation of renegotiating the foreign debt which, as we well know, does not solely depend on the good will of national enterprises, but especially on the requirements of financial intermediaries abroad and the countless changes and adjustments which Resolution 33 of 1984 has undergone from the time of its issuance.

4 -- The National Association of Manufacturers is concerned by the way in which officials have tried to solve the financial problems of intermediaries and producers, for instead of making substantive decisions based on the structural limitations of the enterprises, along with the difficulties created by inflation, the devaluation, market fluctuations, the lack of an adequate infrastructure and deficiencies in the operation of state entities, stop-gap measures continue to be applied.

The country has to see that in cases where poor management or internal administration is evident, then bankruptcy or the closing of certain businesses is part of the normal process in a market economy such as our own.

11,464

CSO: 3348/907

COLOMBIA

BRIEFS

MILITARY TRIBUNAL VICE PRESIDENT--Lt Col Jorge Barrios Garzon has been named as the new vice president of the High Military Tribunal, replacing Roberto Plata Torres. Barrios Garzon previously served as military penal judge and high war auditor. He holds a doctorate in penal law and has published a book entitled "Manual of Military Procedure." [Text] [Bogota EL TIEMPO in Spanish 15 Aug 85 p 3-A] 11,464

CSO: 3348/907

CUBA

PARTY'S ROLE IN MILITARY DOCTRINE IN RECENT YEARS REVIEWED

Havana VERDE OLIVO in Spanish 13 Jun 85 pp 14-15

[Article by Lt Col Enrique M. Navarro Aguero, bachelor of political science and assistant professor]

[Text] The PCC [Communist Party of Cuba] is the leading force of Cuban society and the state. It is the organized vanguard of the people and represents the paramount interests of the workers. Based on scientific Marxist-Leninist ideology, it draws up the political line to be followed, mobilizes the masses and leads them in fulfilling it.

One sphere of major importance where the PCC plays a leading role is the defense of the fatherland. Preparing the country to fight the War of All the People, if necessary, has been one of the main tasks undertaken by our people under party leadership in recent years.

Army Gen Raul Castro Ruz, second secretary of the party and minister of the FAR, has pointed out: "The extraordinary progress achieved in preparing the country to reject and resist U.S. imperialist aggression and the correct steps we are taking to be able to fight the War of All the People are the fruits of the entire process of institutionalizing the revolution. It is especially the result of the authority, prestige and effectiveness our party has achieved. Otherwise, this gigantic movement of the masses that has been unleashed and is truly making us an invincible people would be unthinkable."*

To prepare the country for defense, the PCC has creatively developed new postulates for the Cuban Military Doctrine, making it the implement for the War of All the People.

The War of All the People includes the adoption of a set of political, economic and military measures that guarantee the defense of the socialist fatherland. Its essence lies in the participation of all forces of society in a widespread popular war in which every Cuban knows and has a means, a place and a way to battle the enemy.

*Raul Castro Ruz, Political and military conclusions of the meeting of first (second) secretaries of the party and army chiefs, 7, 8 and 9 May 1984.

Based on this concept, the party has directed the development of Cuban military art and has introduced modifications into our military organization. This has been possible because there was an objective evaluation, based on Marxist-Leninist theory, of the possible nature of the enemy actions against our country as well as of our political, moral, economic, military and scientific-technical possibilities.

This analysis by the party leadership made it possible to outline a correct military policy at the Second PCC Congress. This has been subsequently developed at the plenums of the CC [Central Committee] and the meetings of the Politburo and the Secretariat. This policy is aimed at strengthening the defensive capacity of the country and includes measures on military production, military training of the cadres, improvement of the state structure, mobilization of the economy and the people, etc.

The creation of the Territorial Troops Militia and their training as well as the formation of defense zones as the fundamental links in our defense system have especially contributed during this 5-year period to our increased defense capability.

During this time, the party has continued a systematic orientation for each state organism, each institution, each mass organization, the people in general and the organisms and entities of the PCC itself and defined what they should do to fulfill the policy outlined.

These orientations are contained in the agreements of the CC plenums and the meetings of the Politburo and the Secretariat which become programs of action for reaching higher objectives. One example was the Resolution of the Eighth Plenum, a document that served as the basis for all the work in 1984.

To direct the preparation of the country for defense, the top leaders of our party meet periodically with party and state leaders of the provinces and municipalities and with the main chiefs of the military institutions to verify fulfillment of defense tasks. They also personally participate in exercises and training of the troops and the people in order to ascertain their degree of preparation to confront the aggression.

The increased number of tasks to prepare the country for defense and participation in defense of all the forces of our society present new demands on party leadership of this activity. This meant improvement of the auxiliary systems of the party organisms. The tasks of the Military Department of the CC of the PCC were stipulated and military departments of the provincial party committees were created. On the municipal committees, officials were appointed to take care of defense matters. In this way, the PCC established a suitable system to insure strict supervision of fulfillment of its military policy throughout society.

During this time, the party has organized a massive movement to train cadres for defense. To fulfill the Programmatic Platform, great attention has been given to the political, ideological, military and technical training of the military cadres. Therefore, today we have a contingent of highly skilled officers, faithful to the party and with great political awareness.

The party has made a great effort to give military training to the cadres in the country. All the main leaders of the party and the state have taken short training courses on defense. This has become a vitally important task that must be continually strengthened as long as the possibility of imperialist aggression against our country exists.

Although the party delegates the task of military training and civil defense of the population to the state, it remains informed on fulfillment and does the political and moral training itself.

Through its mechanisms, it orients, directs and does political and ideological work to prepare the people to confront the imperialist aggression.

The document approved by the 10th CC Plenum held in December 1984 on political and ideological work for national defense has special significance. It reflects the bases of our military policy so that they can be publicized among the masses. It also directs the work of all the cadres and institutions to develop the patriotic awareness of the masses and inscribe the concepts of the War of All the People in the political culture of our people.

The activities of the leadership organisms and the base organizations as well as the members have been very important for the materialization of the PCC's leading role in preparing the country for defense. Through constant contact with the masses, the organisms, organizations and members directly learn of their problems and difficulties. They analyze achievements and weaknesses, seek ways to solve the problems, explain and mobilize with the objective of deepening party leadership and making it more effective.

The achievements under the influence of the PCC organisms, organizations and members are also revealed in the "ready for production and defense" movement, an award that has already been won by some municipalities and work centers. The influence of more than 500,000 communists, members of our party, is decisive in mobilizing the masses for the fulfillment of these tasks.

Our country's preparation for defense is a sociopolitical phenomenon and an unprecedented mass movement in our fatherland. The PCC is the only force capable of combining the efforts of all the sectors of the population, the institutions and state organisms, the social organizations and mass organizations as well as the armed people to carry out an all-out battle against the imperialist aggressor.

As Army Gen Raul Castro Ruz indicated: "All these structures and mechanisms ...have made...the question of national defense a problem of all the institutions of our society and, soon, a problem of every citizen because every man or woman will know what to do in every situation.

"All this is possible because the PCC created and trained by comrade Fidel is leading the innumerable tasks that must be carried out to make it reality, especially leading the mobilization of the masses without whose conscious, active, selfless and creative participation we could do nothing."*

*Ibid.

7717

CSO: 3248/468

GRENADA

PAPER TAKES BLAIZE TO TASK ON STYLE OF GOVERNING

Attack on 'Arrogance'

St Georges THE GRENADIAN VOICE in English 13 Jul 85 p 1

[Front Page Editorial]

[Text]

WE will not be the first to observe that politicians are indeed strange beings, but what never ceases to amaze is their penchant for surpassing the very things they condemn in others once they get into power.

Mr. Blaize and his Grenada National Party were highly critical of Gairy when he arranged such infrequent meetings of Parliament but now that he is in control there have been only two sittings of Parliament in the seven months since elections were held and everybody emoted over the return to "Parliamentary Democracy". Can we have Parliamentary Democracy without an active Parliament where people have the opportunity to hear their affairs being discussed? What kind of government is the NNP running? Has the Cabinet simply replaced the Central Committee of "the Party" of PRC days? Indeed the rumblings we hear are that it is even worse in that many matters which should properly be decided in Cabinet are decided outside.

There is another very dangerous way in which the Prime Minister is aping the previous regime and that is by conducting a sort of "government by radio."

Already noted for his reticence and aloofness, Mr. Blaize is now displaying a contempt for the press that is very disturbing and almost as bad as closing them down. He has held only one press conference (which, to be kind, we will describe as having had shortcomings). During the OECS conference here he was the only Prime Minister to give the press short shift and refusing to grant an interview.

This paper has renewed, almost weekly, a standing request of more than three months duration to see the Prime

Minister, or sometimes even to talk to him on the phone, without success. And to literally add insult to injury, when we sent the message that we would like to talk to him about the Radio La Baye, among other things, we got back the reply that he would be making a statement on radio that night. The unmitigated arrogance! Will someone who understands these matters better and has the ear of the Prime Minister please take him aside quietly and tell him that the least he should have done was to give the press a copy of his statement, in advance, embargoed to the time of his broadcast? That more properly, he should be available for questions on such an important matter of public interest? Is it that the Prime Minister would rather not face the searching questions of the press on matters, like Radio La Baye, which have clearly been bungled from the start?

There is too much bungling and too much private government. The people want to know what is going on and not everyone listens to the Radio. There is also too much indecision and the Payne/Heyliger matter is just one example of that.

We have warned Mr. Blaize before that he may be presiding over the defeat of the NNP at the polls in the next elections, as he did with his own GNP in

1962-67. We now prophesy that unless he changes his style he could provoke another, and more successful, attempt to unseat him.

Come, Mr. Blaize, the Press would prefer to work with you for the development of our country rather than fight with you. But we do have our duty to perform.

Call for Open Parliament

St Georges THE GRENADIAN VOICE in English 27 Jul 85 p 1

[Text]

WE have made it clear that we have no wish to fight with the Prime Minister (or the government) and when our "Come, Mr. Blaize" front page Editorial of two weeks ago was blown out of intended proportions and we were called by Radio Stations as far away as New York for further comment, we refused on the same ground.

Our attitude towards the government can, perhaps, best be described as being critically supportive. We want to see it succeed because all alternatives to it represent darkness and retrogression. But it takes two to Tango and the government must not take undue advantage of its privileged position. It must work hard to justify and deserve it. It must use the inclination of the people to unite the country in the move forward. The people should not be taken for granted and left in the dark.

Even the Prime Minister's known intransigence could not prepare us for the startling - even alarming - statements he made in the House last week Friday concerning the frequency with which the House should meet.

The Member for St. George's (South) told the Speaker how embarrassed he was that the Newspaper should have cause to question the infrequency of meetings, but instead of leaving it to the Speaker to reply (since the

Standing Orders require him to call meetings) the Prime Minister seized the opportunity to condemn the paper and said that it was not mandatory to hold meetings of the House monthly and meetings would be called when there is business for the House to deal with.

Not so, Mr. Blaize! Quite apart from the fact that we think there should be lots of business to deal with at this time we are satisfied that Standing Order No. 9 REQUIRES the Speaker to call monthly meetings and gives him authority only to vary the date.

One should expect, in any case, that if the House makes Rules to regulate its operation -- as provided in Section 50 (1) of the Constitution it would honour those Rules. But the current Standing Orders were passed as S.R. & O No 21 of 1964 and S.R. & Os have the effect of law. For example the Gazette of July 19 includes SR & O No 6 of 1985 (made by the Prime Minister) and this provides for fines or imprisonment of persons found bathing in the Carenage without permission.

The Prime Minister let down the side when he pre-empted the Speaker and made that statement in the House.

In any event, given the situation we have in Grenada, and the NNP promise to have open Government he should be anxious to show that he is sticking to the Rules. He should not only have meeting every month but he should send special invitations to schools and groups to come and see our newly revived Parliamentary Democracy at work.

CSO: 3298/971

GRENADA

BRIEFS

SEIZURE OF AMMUNITION--Police have smashed a gang of robbers who have been plaguing the St George's area. They recovered 9 video machines, one television set, one tuner and two radio/cassette last weekend. In another investigation at Carriacou, police seized a one thousand nine hundred combat rounds of A.K. ammunition last Sunday. Superintendent Sylvester Saunders, acting on a tip-off, swooped down on the village of Belmont and recovered 2 cannisters which contained 1920 rounds of ammunition. A 20 year old sailor of Belmont, Carriacou was arrested in connection with the ammunition. [Excerpts] [St Georges THE GRENADIAN VOICE in English 29 Jun 85 p 3]

CSO: 3298/971

GUYANA

MORE ON PLANS, AGENDA FOR PNC BIENNIAL CONGRESS

Georgetown SUNDAY CHRONICLE in English 21 Jul 85 p 1

[Text] An examination of the domestic and international situation, the charting of policy directions for the period ahead and a feature address by President Forbes Burnham will be the highlights of the Sixth Biennial Congress of the People's National Congress scheduled for August 18 to 25.

The Congress coincides with the 30th Anniversary of the Founding of the Party as a separate political entity.

Speaking to the media yesterday, PNC General-Secretary Cde Ranji Chandisingh said this year's Congress, like the previous ones will "serve to highlight the democratic nature of the Party, its openness and its role as a forum for critical and self-critical analysis with a view to improving the Party's ability to give guidance and leadership and to better serve the people."

Theme of the Congress, the highest decision-making forum or authority of the party, is "WE CAN, WE MUST, WE WILL."

"Faced as we are at this juncture with serious challenges, 'WE CAN' reminds us that we have rich human and natural resources which, intelligently and resourcefully utilised, afford the basis for meeting and successfully tackling the challenges to our survival and progress," Cde Chandisingh said in a statement.

He added: "WE MUST" asserts that there is no alternative to our present course if we are to succeed in development, the preservation of our independence and the continuation along the path toward socialism--for the benefit of all Guyanese.

"WE WILL" emphasises the determination of the Party and People to work more efficiently and effectively for the achievement of greater production and higher levels of productivity, while at the same time standing guard against those abroad and their agents at home who would have us change course and who would subvert and destroy the gains of the Guyanese masses."

A National Exhibition from August 21-31 and a cultural presentation at the National Cultural Centre will coincide with the Congress.

The Biennial Congress which elects members to the PNC Central Executive Committee will discuss questions and motions submitted for consideration as well as a report to be submitted by the General-Secretary of the Party.

The main address by President Burnham will form basis for wide-ranging and indepth discussion by a number of commissions.

Among those expected to attend the eight-day deliberations are delegates and observers from Guyana's 10 Administrative Regions and Party organisations overseas. Among the local delegates and observers will also be representatives of the Young Socialist Movement (YSM), the Women's Revolutionary Socialist Movement (WRSM) and of affiliated organisations such as trade unions and cooperative societies.

Foreign delegates, representing fraternal parties around the world will also attend.

Commenting on the response to invitations so far, Cde Chandisingh said if the present trend continues, the Congress would witness the biggest contingent of delegates to such an event.

And in response to questions about the agenda for the Congress, he said that proposals for constructive dialogue with the PPP and issues relating to the economy and production are likely to be discussed.

The Congress will conclude on August 25 with a rally at the Square of the Revolution to be addressed by President Burnham. (GNA)

CSO: 3298/984

GUYANA

REGIONALIZATION SYSTEM REMAINS UNDER SCRUTINY

Problems in Region 7

Georgetown NEW NATION in English 30 Jun 85 pp 4-5

[Article by James Deane]

[Text]

REGIONAL Chairman of the Cuyuni/ Mazaruni Region Seven Cde. Gervy Harry has expressed his concern over the "total disregard for the Regional system by other agencies."

Addressing the closing session of a two-day seminar for miners and Regional Administration officers of the Cuyuni/ Mazaruni and Potaro/ Siparuni Regions at the St. John-the-Baptist Primary School recently, Cde. Harry said that some officers when sent to the Region to work, display a lack of understanding and appreciation for the system.

Cde. Harry said that while he could speak about the programmes for the Ministries of Health and Education and agencies such as the Guyana Electricity Corporation and the Guyana Telecommunication Corporation, for some others, much could not be said because those officers insist on dealing directly with their "bosses" in Georgetown.

Cde. Harry also referred to the non-involvement of the Regional Administration in discussions with COGEMA at Peter's Mine in Region Seven.

"It is disheartening to mention that the agencies concerned have not seen it fit to involve the Region, even at the level of discussion," Cde. Harry declared. He wondered whether these actions did not represent "total disregard for the Regional system."

While some operations could be seen as national and therefore have central control, Cde. Harry pointed out that any activity which falls within the boundaries of a region regardless of its category, would be of some concern to that region.

He stressed that the region at all times must be involved if it is to carry out its development programme and effectively monitor the operations and production of other agencies operating within its boundaries.

Georgetown NEW NATION in English 14 Jul 85 p 2

[Text]

General Secretary of the People's National Congress, Cde Ranji Chandisingh last week spent four days in Region Six meeting with a wide cross-section of the community outlining Government's policies on national issues and tauring development projects.

He visited the leather factory at New Amsterdam, a farm at Vryman's Erven which impressed him tremendously, and he later held a meeting with residents of Mount Sinai, a community in West Canje.

Cde Chandisingh had a look at the operation of the Kilcoy/ Chesney Fish Farm at Fyrish, visited two access roads at Albion, the

proposed site for the \$140 000 market at Albion Front, the Cottage Hospital at Mibicuri, the rural Marketing Centre at Black Bush Polder, farming areas and other places of development.

At a face the community meeting held at No. 47 Village on the Corentyne, residents complained of widespread predial larceny, cattle rustling, damage to public property especially schools and poor drainage and irrigation.

Cde Chandisingh told the large gathering, many of them farmers, that the solutions to their problems lie in their own hands, since what they need are

strong and vibrant crime prevention committees to combat the situation.

Representatives of the Police who were present, pledged to step-up patrols on horse-back at back-dams and to co-operate with members of crime prevention groups. One farmer immediately promised to donate a horse to the Police so that the exercise could get started.

Everywhere he went Cde Chandisingh was greeted with smiles, hand-shakes and garlands. It was for him, a kind of homecoming for he had lived many years in Region Six and he was familiar with everyone.

Focus on Decisionmaking

Georgetown GUYANA CHRONICLE in English 3 Aug 85 p 1

[Text]

THE regionalisation process should lead to quicker and more effective decision-making and the elimination of administrative bottlenecks, Permanent Secretary in the Regional Development Ministry, Stanley Hamilton has said.

Speaking at the closing session of a three-day "Regionalisation of the Payroll" workshop Wednesday at St. Stanislaus College, Cde Hamilton said the new system will, in addition, improve welfare support for regional staff and improve on the flow of services to the community.

He said it offers opportunities for staff development and training and greater scope for promotion in the regions.

He advised participants that the active involvement of the people in the decision-making process should be a prime consideration.

Dealing specifically with the Ministries of Education, Social Development and Culture, and Health, Cde Hamilton explained that the technical and professional aspects of the two ministries pose special peculiarities in the areas of financial and

personnel management.

The Regional Democratic Councils and the Regional Administrations will therefore have to acquire and develop the managerial skills needed for the effective discharge of functions in the system.

Participants from the administrative regions were brought together in order to examine means of dealing with new tasks in the area of finance arising out of the regionalisation of the two ministries.

Personnel management is to be given consideration in the near future.

(GNA)

CSO: 3298/984

GUYANA

BURNHAM DISCUSSES ECONOMIC ISSUES IN TWO SPEECHES

Affirmation of Socialist Policy

Georgetown NEW NATION in English 21 Jul 85 p 1

[Text]

In spite of the criticisms being levelled against Guyana this country must continue to pursue its course of socialist development. Leader of the People's National Congress and President, Cde Forbes Burnham, told the General Council meeting which ended last Sunday.

He said that every technique will be used, every scheme devised to remove the People's National Congress from office.

Cde Burnham who was making the major presentation to the meeting Sunday pointed out that even in the Caribbean those who criticised the path of development chosen by the Guyana Government are now moving to the side of Guyana.

This country had the courage to "buck" the international financial institutions and in spite of this none has had to stage concerts to feed the people of Guyana, he said. Instead, Guyana

recorded a five per cent economic growth last year. However, this measure of economic upturn should not be cause for complacency. Instead the nation should seek to produce to the extent that there be a surplus which could be used to acquire those goods Guyana does not yet produce, Cde Burnham said.

The achievements to date are cause for harder work and even wider achievements. As the World Bank indicated in its report on Guyana the country has spare capacity for production. This spare capacity must be utilised intelligently in the cause of development.

Cde Burnham noted that the previous General Council meeting examined the achievements of the Party and the nation and the national leaders were able to develop a clear idea of Guyana's position.

For the greater part the analysis involved people from the working class who constitute the bulk of the nation. "Ours is a

working-class government. Our strength comes from the masses," Cde Burnham told the recent General Council meeting.

Cde Burnham said that the objective of the PNC Government during the 1960s and the early 1970s has been to make the small man a real man. This objective is still being pursued.

There are, however, examples of people seeking opportunity to act contrary to this objective. Cde Burnham cited the example of rich people seeking to occupy large tracts of land in the MMA scheme at the expense of small farmers whose primary interest is to contribute to the development of Guyana.

He said that the greater part of the national debt is for infrastructural development. Such development should benefit the nation and to this end measures to protect the small man will be put before Cabinet, one of the advisory bodies of Government.

Warning of Economic 'Aggression'

Georgetown NEW NATION in English 21 Jul 85 pp 1, 8

[Article by Adam Harris]

[Text]

Leader of the People's National Congress and President, Cde. Forbes Burnham, sees economic aggression and economic hostility as two factors that make the global environment difficult. Armed invasion is also another factor that contributes to this difficulty, he adds.

In one address to Guyana's heads of missions currently attending their annual meeting at the Guysuco Management Training Centre, Cde. Burnham likened economic aggression to typhoid which, he said, does not restrict itself to one section of the population.

About two years ago a group of Guyanese businessmen met with officials of the International Monetary Fund to have the latter apply pressure to Guyana "to make the PNC come to its senses."

These businessmen were the champions of free enterprise in Guyana, and they were of the view that Guyana's acceptance of IMF conditions would have made the local economic situation better for them. They also believed that pressure from the IMF would have led to the collapse of the PNC Government, something that would be greatly desired by the agents of imperialism and capitalism.

But, as Cde. Burnham told the quarterly General Council meeting of the People's National Congress, Sunday, the Government is of the working-class and cannot impose on the masses some of the conditions being imposed by some governments on their people.

Some governments, including a few in the Caribbean, accepted conditions proposed by the IMF with the result that the masses now experience greater hardships. Many joined the ranks of the unemployed, went hungry and later took to the streets where they rioted. The PNC Government headed by Cde. Forbes Burnham has, as one of its duties, the protection of the people of Guyana.

The most recent act of economic aggression to be experienced by Guyana has been the veto of a loan for the development of Guyana's agricultural sector. This loan had earlier been approved by the Board of Directors of the Inter-American Development Bank and the conditions were agreed on.

However, the Reagan administration used its power of veto. Guyana subsequently received the loan but the conditions were changed and the people of Guyana must find an additional \$25 million.

Cde. Burnham told the conference that all will feel the consequences of development. To the surprise of some of the forces of imperialism there have been no riots in Guyana and even they concede that the people of Guyana are not hungry.

In Jamaica even the businessmen who champion the virtues of private enterprise and the cause of capitalism have taken to the streets in riots. Jamaica, under the leadership of Edward Seaga pledged to follow a capitalist course of development. It accepted all the IMF prescriptions and

the result is clear.

Guyana, on the other hand, continues to chart a course of development consistent with the principles of socialism. This is undoubtedly the reason for the acts of economic aggression committed by the United States and some of its western allies.

Guyana is following a course that makes sense. This course is one of self-reliance which stems from this country's identification and possible exploitation of its natural resources that are relevant and could feed the people and so preserve life, Cde. Burnham said.

He added that this nation has never conducted a hostile act to the United States as he sought to find some cause for the acts of economic aggression conducted by that major western power.

The achievements of the nation are a spur for harder work and for wider achievements. The recent declaration by the World Bank that Guyana's economy experienced a five per cent growth should not make Guyanese complacent, Cde. Burnham told General Council.

One day later he was to task the heads of mission with considering means of acquiring equipment to boost development and so help promote national self-reliance.

Our problem is our poverty. But should we exploit our resources then we would see a change in our fortunes. We would only have ourselves to blame if we continue to be poor, he added.

GUYANA

PPP SUPPORTS ARMING OF CORENTYNE ANTI-CRIME VIGILANTES

Georgetown MIRROR in English 14 Jul 85 p 4

[Text] Citizens of Black Bush Polde and other areas on the crime-plagued Corentyne are again urging the police authorities to help them fight the armed holdup gangsters. For this they need guns, police training and active police co-operation and guidance. They are at a loss to comprehend the reluctance of the police authorities to provide each Vigilante Group with at least two revolvers.

The gangsters know that the Vigilantes (community police) are virtually unarmed so they ignore them or make fun of them. The gunmen sometimes fire shots at the Vigilantes to scare them off. The vast majority of these groups are armed with sticks only. Because of the failure of the police authorities and central government to provide Vigilante Groups with firearms, armed holdups are steadily increasing.

Reports from the Corentyne say that over the last 2 weeks several violent robberies took place grossing the bandits approximately \$50,000 in cash, jewellery, clothing and domestic appliances. In the Race Course-Kingston Corriverton area alone 6 houses were invaded by armed gangs wearing masks, and equipped with revolvers. In the No 72 area, gunmen opened fire on two families and robbed them.

Reports from the West Demerara say that gunmen were recently frustrated in their attempts to gain entry into the home of a businessman. The house was protected by iron grille-work, so the "kick-down the-door technique" was useless. This incident occurred in Windsor Forest shortly after midnight on Tuesday last.

As the bandits entered the street they fired shots at those houses where lights could be seen and ordered the residents to turn them off. One man whose house was dark when the gunfire started, switched on his lights. Immediately he was shot at. A fusilade of bullets shattered his windows and glass door. He promptly switched off the light.

At the home of the intended victim, the bandits were foiled by the grille-work, and were also fired on by the owner who has a gun. It is reported that the bandits fled, one of them receiving a gunshot wound.

An informed source told the Mirror that when this incident was reported to police at Leonora station, the reply was that there is no available transportation. A vehicle had to be obtained by villagers to enable the policemen to reach the scene of the crime. When they arrived there was nothing to be seen except a trail of blood on the street.

The PPP is urging that Vigilante groups be armed.

CSO: 3298/985

GUYANA

PROGRESS REPORTED IN DISTRIBUTION OF NEW ID CARDS

Distribution Plans

Georgetown GUYANA CHRONICLE in English 18 Jul 85 p 1

[Text]

SOME 60 000 persons in Region Four (Demerara-Mahaica) will be issued National Identification Cards for the first time, in the distribution exercise beginning Monday.

Distribution, which initially begins at five centres in Georgetown, will move to the East Bank, Demerara area from July 29. Nine distribution centres will be opened on the East Bank, Demerara.

ID cards will be distributed later in the East Coast, Demerara area of Region Four and other areas of the country.

At the end of the countrywide exercise, the National Registration Office's Permanent Distribution Centre at Lombard and Cornhill streets will be reactivated to facilitate the issuing of ID cards to persons who miss the present distribution.

The centres on the East Bank, Demerara, will function for up to two days from July 29 depending on the size of the population in the respective area to be served.

The first East Bank centre will function at Houston Primary School, from July 29 to 30 to serve Ruimveldt, Houston, Meadow Bank, McDoom, Rome and Agricola.

Peter's Hall Primary School centre will open July 31 to August 1, serving Eccles, Peter's Hall, Providence, and Ramsburg.

Mocha Primary School centre will operate August 2 to serve Mocha-Arcadia.

Grove Primary School centre will be opened August 2-3 to serve Herstelling, Prospect, Farm, Grove and Diamond.

Craig Primary School centre will open August 6-7, serving Craig, Good Success, New Hope and Friendship.

Supply Primary School centre will open August 8, serving Garden of Eden, Relief, Brickery, Supply, Support, and Land of Canaan.

Soesdyke Primary School centre will open August 9, serving Soesdyke, Timehri, Coverden, and Caledonia.

Kuru Kuru Primary School centre will open on the morning of August 10 and Kuru Kururu Primary School centre during the afternoon of August 10 serving Kuru Kuru and Kuru Kururu respectively.

The East Bank centres will distribute ID cards both to persons registered for the first time and to those re-registered and in need of new cards.

-(GNA)

Georgetown SUNDAY CHRONICLE in English 28 Jul 85 p 3

[Text]

FOUR of five National Identification Card distribution centres in Georgetown are winding up distribution today.

A fifth centre, at East La Penitence Primary School, will continue distributing ID cards until August 3, to persons living in areas of the city covered by this centre. All five centres in the city were established to serve persons registered for the first time in the last National Registration campaign.

The centres, which will close off their operations today, are Charlestown Secondary School, Christ Church Secondary, Campbellville Primary School, and Frank Pollard Memorial Primary School.

Meanwhile, distribution of ID cards to East Bank Demerara residents is scheduled to begin tomorrow at the Houston Primary School. The Houston centre will be open tomorrow and Tuesday, serving residents of Ruimveldt, Houston,

Meadow Bank, Mc. Doom, Rome and Agricola.

The distribution team will then move to Peter's Hall Primary School, serving, on Wednesday and Thursday, residents of Eccles, Peter's Hall, Providence and Ramsburg.

Next, the distribution team will move to Mocha Primary School on Thursday, August 2, to serve Mocha-Arcadia residents. Distribution will continue on succeeding days at various centres along the East Bank Demerara.

In the meantime, all Georgetown residents who were re-registered in the registration exercise, and who need new ID cards because of changes of particulars on their old ID cards, or loss or mutilation, will be served at Christ Church Secondary School from tomorrow.

Distribution of replacement cards to Georgetown residents will continue until August 31. (GNA)

CS0: 3298/985

GUYANA

RICE PRICE INCREASES DESIGNED AS INCENTIVE FOR GROWERS

Georgetown GUYANA CHRONICLE in English 26 Jul 85 p 1

[Text]

THE nation's rice farmers are to receive more dollars for their paddy, the Agriculture Ministry announced yesterday.

The Ministry also announced new wholesale and retail prices for rice and increased milling fees. All increases will take effect on August 1, and are in keeping with Government's policy of reviewing prices and fees in the rice industry which continues to be of crucial importance to the local economy.

The increased prices to be paid to rice farmers per 63 kg (140-pound) bag of paddy range between six dollars for Extra "A" grade and four dollars and seventy cents for "C" grade paddy.

This means that should the farmer who cultivates a 20-acre plot succeed in harvesting an average of 20 bags of Extra "A" paddy per acre, his earnings would be boosted by \$2 400.

Should his paddy be of grade "C" quality, his earnings would be boosted by \$1 880.

These increases to farmers are likely to serve as important incentives for increased production starting with the current second crop for which about 44 000 hectares (110 000 acres) have already been sown.

The increases are also likely to impact significantly on production for the 1986 first crop as compared with this year's first crop when the 27 600 hectares (69 000

acres) — harvested yielded 52 000 tons of paddy.

According to information released yesterday by the Agriculture Ministry, increases to producers per 81 kg (180-pound) bag of various grades of parboiled and white rice range from \$15.35 more for "White C" grade rice to \$1.90 more for parboiled "No. 1" rice. The retail price of "White C" grade rice will move to \$5.25 per gallon from \$4.45, while the 81 kg (180-pound) bag of "White C" will wholesale at \$107.24.

The list of new paddy prices to be paid to farmers per 63 kg. (140-pound) bag are: "Extra A" — \$48.00; "A" — \$45.00; "B" — \$43.00; "C" — \$40.00.

New parboiled prices to be paid to rice producers, per 81

kg. (180-pound) bag, are:
"Extra Super" — \$115.00;
"Super" — \$109.10; Extra
No. 1" — \$105.10; "No. 1" —
\$99.10.

New White rice prices, per
81 kg (180-pound) bag, are:
"Extra White A" — \$111.75;
"White A" — \$105.75;
"White B" — 101.75; "White
C" — \$95.75.

"White C" — Wholesale —
\$107.24; Retail — \$5.25 per
gal.

Rice milling fees, per 81 kg
(180-pound) bag of White
rice will be \$8.92 and \$13.25
for toll milling and contract
milling respectively. Milling
fees for parboiled rice will be
\$8.33 and \$16.60 for toll
milling and contract milling
respectively.

Transportation from mill to
approved storage depots will
cost \$2.50 per 81 kg bag.

— (GNA)

CSO: 3298/985

GUYANA

BRIEFS

ROK TRAWLER FINES--The owners of the three South Korean trawlers which were found operating in Guyana's Fishing Zone earlier this month were yesterday fined a total of \$85 000 by Principal Magistrate Desmond Burch-Smith. And two of the vessels, together with the gear and catch from all three were ordered confiscated. On Tuesday the captains of the three trawlers, Park Lai Seo, Kim II Hoan and Son Seong Nam had changed their pleas from not guilty to guilty to unlawfully entering Guyana's Fishing Zone. Deputy Director of Public Prosecutions Ian Chang had told the Court that on July 4 three South Korean Trawlers were found fishing in Guyana's Fishing Zone east of the Berbice River by a Guyana Defence Force Maritime Command patrol. D.J. Shin, Director of the Silla Trading Company and owner of two of the vessels, the Shim Wha 15 and 32 was fined \$10 000 and had both his boats confiscated. Bai Jangun, owner of the other vessel, the Barbara M was fined \$75.000. [Excerpt] [Georgetown GUYANA CHRONICLE in English 25 Jul 85 p 1]

WARNING TO AMERINDIANS--Linden (GIS-GNA)--Amerindian Village Captains should not see themselves as "lords" who can do as they like in their villages, Chief Hinterland Affairs Officer Carl Harewood has said. The Chief Hinterland Affairs Officer said Captains are elected to help manage the affairs of their communities and should not abuse this position. Addressing residents of Hururu Village in the Upper Berbice River, Cde Harewood urged them to show more interest in the operation of their Councils and not to allow things to get out of hand. National Mobilisation Minister Robert Corbin, who also met with the Amerindians of Hururu Village told them what is needed is efficient and effective management of resources for the development of the community. [Text] [Georgetown GUYANA CHRONICLE in English 17 Jul 85 p 4]

TUC THANKS TO GOVERNMENT--The Guyana Trades Union Congress has thanked Home Affairs Minister Jeffrey Thomas for the consideration given its view on the recently enacted National Security Bill 1985. In a letter to the Minister, TUC General Secretary Joseph Pollydore noted that some points raised by the TUC were accepted and certain amendments were made to the draft legislation. A TUC delegation met with Minister Thomas in June to discuss the National Security Bill before it was piloted through the National Assembly. [Text] [Georgetown GUYANA CHRONICLE in English 17 Jul 85 p 1]

ONGOING WAGE TALKS--Another round of talks between the Government and the Guyana Trades Union Congress (TUC) on wages and salaries in the public sector has been fixed for August 6, a State Planning Commission official said yesterday. The official said that the Government and the TUC met two Tuesdays ago. The TUC requested, however, that the discussions be deferred because a number of TUC delegates, including the President, George Daniels, were unavailable. A TUC representative told the Chronicle Monday that the absent delegates were out of the country at the time. Talks between the Government and the TUC resumed earlier this year, after last year's interim award by President Forbes Burnham. At one meeting in March, six interim reports were presented by committees established to examine various issues involved in the negotiations. These reports were from the Anomalies; Collective Bargaining; Working Hours; Indexation; TUC Financing and Critchlow Committees. The six committees were tasked to prepare final reports and the TUC representative said the Committees were now working on these. However, the Government and the TUC teams met several times since March. [Text] [Georgetown GUYANA CHRONICLE in English 24 Jul 85 p 1]

GOLD, DIAMOND PRODUCTION--Gold and diamond production declared by the country's miners in the first six months of the year has exceeded the declared production of the corresponding period last year. A Geology and Mines Commission statement shows that from January to June gold miners declared 4 949 ounces of gold as against 4 412 ounces for the January to June period last year. Diamond miners in the six-month period this year declared 49 079 stones totalling some 5 257 metric carats, compared to 22 965 stones totalling 3 819 metric carats last year. Royalty of \$465 678 was paid on gold production from January to June and \$51 389 on diamond production. The approximate value of the gold produced is quoted at some \$5.7 million and diamond production at \$136 800. Production figures for June, the latest month released, show a declared production of 537 ounces of gold valued approximately \$621 196 on which \$51 161 royalty was paid. Declared production of diamond for June was 11 499 stones totalling some 936 metric carats. Royalty of \$9 191 was paid on the diamonds whose total approximate value was \$136 800.--GNA [Text] [Georgetown GUYANA CHRONICLE in English 25 Jul 85 p 1]

IDB AID FOR POWER SYSTEM--The Inter-American Development Bank (IDB) has approved a \$16.1 million (US) loan to finance the rehabilitation of the Guyana Electricity Corporation's (GEC) power supply system. A grant of \$1.5 million (US) from the Bank's Fund for Special Operations (FSO) has also been approved. This will provide the Corporation with technical assistance in the areas of finance, staffing and power distribution. Through its rehabilitation programme, the GEC intends to restore its principal generating facilities to nearly their original capacity thereby enabling the Corporation to increase the amount and reliability of the electricity available to the country. The loan will also be used by GEC to renew four of its nine generating stations and its transmission and distribution system, as well as to provide management support assistance to GEC through a team of consultants. The four generating stations include the Kingston B steampower plant, diesel plants at Garden of Eden, Canefield and Onverwagt, and a gas turbine in Kingston. Work on the transmission and

distribution facilities will include replacement of components and the purchase and maintenance of testing equipment, and spare parts. The loan was extended to the Guyana Government. (GNA) [Text] [Georgetown GUYANA CHRONICLE in English 27 Jul 85 p 1]

MILK SHORTAGE--With the Georgetown Milk Plant shut down since May 17 last and no full cream milk available, most Guyanese, certainly in the city, are having to go without milk. A small shipment of New Zealand 'Anchor' brand full cream milk is due to arrive about the end of August. It has reportedly been purchased in the USA. The annual gift of 300 tonnes of skimmed milk for the Milk Plant is due to arrive this weekend. 185 tonnes of butter oil for mixing with the milk should arrive about three weeks later. Until it comes the Plant will remain closed. A small quantity of Canada Best and Frico full cream milk left over from shipments last Sept and May respectively are still being held for the Ministry of Health. [Text] [Georgetown CATHOLIC STANDARD in English 28 Jul 85 p 1]

CSO: 3298/986

HONDURAS

GOVERNMENT ATTACKED ON ISSUE OF MISSING PERSONS

PA012345 San Pedro Sula TIEMPO in Spanish 30 Aug 85 p 22

[Paid advertisement by the Committee of Relatives of Missing Detainees in Honduras, COFADEH, issued in Tegucigalpa on 30 August 1985]

[Text] On 30 and 31 August, several protest acts will take place in our country and around the world on the occasion of the "International Day of the Missing," to demand the immediate release of more than 90,000 Latin Americans who have been victims of a systematic and bloody repression comparable only to the darkest episodes in human history, among them the "Holy Inquisition" and the Nazi Holocaust.

At present, there are sectors interested in misinforming the international public by saying that the number of missing people has tended to diminish with the overthrow of some repressive military regimes such as the Argentine dictatorship or that of Honduran General Gustavo Alvarez Martinez.

However, that campaign is nothing more than a smokescreen to hide the prevalence of paramilitary corps and the existence of more than 90,000 missing persons. Its purpose is to have those who commit genocidal acts go unpunished and even continue to enjoy the political and economic privileges that they have accumulated.

The kidnappings, torture and abductions continue to be carried out daily by democracy's enemies, as is proved by the fact that there have already been 22 missing persons in Honduras in 1985.

For that reason, we the families of the victims, continue to stage a difficult and constant struggle in Latin America to rescue our missing persons from public and clandestine jails.

We, the families, are the link between the victims and the people. As long as our flame of hope and rebelliousness is not extinguished there will be no peace for the executioners and hired assassins.

Solidarity not only keeps the victims from being forgotten; it will also be the continuous drop that will pierce the clandestine prisons and will make the truth shine to illuminate the faces of the guilty.

Those who, like Roberto Suazo Cordova, believe that by hiding information they will hide reality, forget that repression marks those who perpetrate it.

It is useless for the foreign secretary of lies and infamy to continue defending Suazo Cordova's actions because the conscientious people have already pronounced the guilty verdict and the corrupt judges and lawyers will not be able to modify or erase it from history.

The list of missing persons in Honduras is made up of 139 persons, not including other victims such as Dionisio Montes, who died after learning of the report of the missing persons released by the Armed Forces on 30 December 1984.

Mr Montes died hoping to see his daughter Maria Ediltrudis Montes Giron, who was arrested by military troops on 24 January 1982 at the border post of Guasaule.

Another cross should be added to the conscience of the kidnappers for Maria Ediltrudis' father, even though cynical people like Paz Barnica say that he died of old age.

Despite all the insults and frustration, we in COFADEH continue to have faith in humanity and we are confident that there are still honest people in the Armed Forces who will someday be disgusted to find themselves surrounded by assassins and torturers.

Meanwhile, the people continue their process of consciousness-raising and are organizing to defend their own interests, which are not shared by those who misgovern.

Yesterday, the popular movement was on its knees, but today it is standing up.

/They were taken alive and we want them back alive for life and liberty: until we find them!/ [passages within slantlines published in boldface]
COFADEH

CSO: 3248/505

HONDURAS

BISHOPS NOTE CIVIC DUTIES, RIGHTS WITH VIEW TO NOVEMBER VOTE

PA051442 Tegucigalpa Cadena Audio Video in Spanish 1145 GMT 3 Sep 85

["Ethical Reflections Motivated by Upcoming Elections," issued by the Honduran Catholic Church in Tegucigalpa on 30 August 1985]

[Text] The Honduran people in general, and their political institutions in particular, are facing a very important event in history: the electoral campaign that will lead to the 24 November elections. This process is a challenge to all citizens and a magnificent opportunity to consolidate and rectify the path upon which they have embarked. At the same time, it is an opportunity to democratically eliminate corruption, individualistic interests, violence, oppression, and threats.

By means of an election we can begin to attain the best ideals for the benefit of the country and its sacred interests. For this reason, and aware of our pastoral mission received from God and our responsibility to enlighten the people and communities on doctrinal matters, we, the bishops of Honduras, as we have done in the past, would like to present to all people of good will, and to all faithful Catholics in particular, some ethical reflections that will help them discern their duties and civil rights.

The Vatican II Council tells us that the church, in preaching the evangelical truth and illuminating all human sectors, respects and promotes liberty and the political responsibility of all citizens. Our intention, therefore, is to contribute to the promotion of values that should guide politics, trying to interpret the ambitions of our people for the general well-being and the desires of those whom society tends to neglect. Our actions should not be interpreted as a desire to be involved in partisan politics, which is the field of laymen, who are the appropriate ones to organize and participate in political parties to achieve their legitimate goals.

However, we must stress from the outset that it is our duty and right to be present in this field of activity, because Christianity must evangelize the entire human existence, including politics. We cannot accept the attitude of those who try to restrict faith and morals to personal and family circles, excluding professional, economic, social, and political

matters, as if sin, love, prayer, and forgiveness meant nothing in those areas.

General Principles

The General Well-being.

General well-being is the set of conditions of social life that make it possible for associations and their members to achieve perfection. General well-being implies that everyone has his rights and duties.

Every social group must consider the needs and the ambitions of other groups.

Fundamental Human Rights.

According to church authorities, human rights result from human dignity and from the person's superiority over material objects and money. A person should be given the necessary things for a decent living, such as food, clothing, housing, freedom of choice, freedom to raise a family, education, a job, a good reputation, respect, adequate information, freedom to act according to his conscience, protection of private life, and freedom of worship.

Permanent Tasks.

Additionally, we must remember that social order must be permanently developed, and it must be based on truth, justice, and love. It should not be used simply during a political campaign and then forgotten.

Respect for the Individual.

Another criterion refers to respect for the individual. All human beings are basically equal because they all have a rational soul, and since they were created in God's image, they all have the same nature and origin. Since they were all redeemed by Christ, they have the same calling and destiny.

Service to People.

Respect for people implies that those who want to reach the people must go to them and serve them. We believe that this is a basic criterion for a genuine democracy, and a Christian who has the ambition of attaining power in any sphere to serve himself and to use business so that after public appointment he can live out his days without working betrays Christ's teachings, because Christ did not come here to be served, but to serve others.

All that offends human dignity, such as systematic lies and slander through local news media, moral and physical torture, arbitrary arrests, and subhuman conditions of life, is totally contrary to God's creation.

Christians' Attitude Toward Their Adversaries

We also believe that it is necessary to stress the Christians' attitude toward their adversaries, who feel and act differently concerning social, political, and religious matters; they must be worthy of our respect and live. We are all Hondurans, and a political campaign cannot continue deepening the enormous gaps that divide us. Nothing or no one justifies hate, rancor, irreconcilable differences, insults, and personal offenses. It grieves us to see that the current campaign has already claimed the first victims; Christ's doctrine asks us to forgive and love our enemies. I tell you, love your enemies, be kind toward those who hate you, and pray for those who insult and slander you.

Catholic Church Asks for the Betterment of Mankind

In addition to becoming authentic Christians in political life by overcoming an individualistic ethic, every man's duty concerning justice and charity is increasingly fulfilled by contributing to others' welfare, according to each one's capacity and others' needs, promoting and helping public and private institutions which serve to improve mankind's living conditions.

Referring to democracy, the Honduran Catholic Church asserts that the key values in a democratic government system are: equality, and participation. All the citizens of a country must be able to freely state their political ideas and actively participate in decisionmaking through the appropriate organizations. Power lies in the people, and they should be free to choose their own destiny through free, periodic, and secret elections. We wish to stress that the most important aspect of democracy is that the government should represent the majority, not only a few. Democracy is not a system which gives privileges to a group and shuns the rest of the people.

Political Parties, a Legitimate Pluralism

Christians must admit a legitimate pluralism of opinions and respect the citizens who are members of other political parties and loyally defend their own opinion.

Common Welfare

Political parties must promote everything that, in their view, is necessary for common welfare, and never give preferences to their personal interests. Consequently, we ask current political parties to pledge and draft programs that offer solutions to national problems, within the framework of our current situation, particularly concerning health, housing, education, labor, and human rights. People should exert themselves to appoint honest men and women capable of fulfilling their roles, definitely

rejecting the false leaders whose past actions have branded them as corrupt and lacking moral values. Political campaigns should reject the use of offenses, insults, lies, and slander. Candidate is gauged by his moral values, his political capacity and seriousness, and his government program, not by the offenses that he and his followers launch against the other candidates. Mutual respect should replace demagoguery and lies directed at the voters. A permanent, respectful, and dignified dialogue should be permanently maintained to guarantee a democratic process. No one should give in to the temptation of interrupting an electoral process by force, or any other type of violence and intrigue, thus frustrating the people's goals and returning to systems which have proved negative and deadly in the past.

The Vote and the Voters

Everyone participates in general politics through their vote. That is each citizen's great right. People use their vote to choose the parties and leaders they believe will better attain general welfare, internal harmony, and better solutions to social problems. The most important conditions for a vote are as follows: It should be preceded by lots of information, consultations, deep reflections, etc., because people will be trying to discover--admit so much political demagoguery and empty words--the one who will better attain general welfare.

It should be realistic without being allowed to be led by sentiments. It should seek what is best for the fatherland in general, at the present time. It should not be inspired by selfishness. Local interests are valid in electing local authorities, but when it is a matter of national authorities, the interests of the entire nation should prevail and then one should vote for those one honestly believes will do the best job.

Therefore, it is not advisable to vote for a certain candidate only because he promised a personal benefit for a specific community or region, such as a road, a bridge, or so forth. It is the duty of all citizens to vote. He who does not vote is excluding himself from society, harms democracy, promotes totalitarianism, and is to be held responsible if administrations harmful to the country are elected.

It is the duty of the authorities and of the institutions to guarantee the honesty of the elections and safeguard the enforcement of the people's will.

In this international year of youth, we want to make a special appeal to the Honduran youth, particularly those who are going to vote for the first time. The immediate future of a better Honduras is primarily in your hands. Your aspirations can come true for a fatherland where honesty and faith, truth and peace will prevail, where a human dignity is respected, and where violence is eliminated if you elect the candidate you feel is the best according to your consciences and without being manipulated by superficial and demagogic propaganda. We urge the adults to express their Christian and civic maturity, being a constructive example for the youth.

Conclusions

We want to stress some points we included in our pastoral letter dated 22 October 1982, which still prevail today. The Central American circumstances, the internal economic situation, and the general feelings of the people all clearly indicate that we are in a very delicate situation. This could even turn into generalized desperation, perhaps into political and social chaos, which would only serve the systems that eliminate personal liberties.

We urge all Christian communities and parishes to intensify their prayers and sacrifices so that the grace of God will instill Christian love into all of our hearts. May the Blessed Virgin Mary of Suyapa, as the mother of all Honduran people, unite and reconcile all brethren. Our blessings to all our Honduran brethren, regardless of creed, ideology, or political party.

Issued on the occasion of the festivities of Santa Rosa de Lima, patron of Latin America, on 30 August 1985.

[Signed] Msgr Hector Enriquez Santos, Archbishop of Tegucigalpa, and Chairman of the Honduran Bishops Conference, on behalf of the Honduran Bishops Conference;

Msgr Jaime (Brujao) Macias, Bishop of San Pedro Sula;
Msgr Gerardo (Scapone), Bishop of Comayagua;
Msgr Raul (Corribao), Bishop of Choluteca;
Msgr Luis Alfonso Santos, Bishop of Copan;
Msgr Mauro (Multon), Bishop of Olancho;
Msgr Evelio Dominguez, Auxiliary Bishop of Tegucigalpa;
Msgr Marcello Guerini, Bishop Emeritus of Choluteca; and
Msgr Oscar Andres Rodriguez, Secretary General of the Honduran Bishops Conference and Auxiliary Bishop of Tegucigalpa

CSO: 3248/505

PERU

PROBLEMS OF AGRICULTURAL, FISHING SECTORS ANALYZED

History of Food Problems Traced

Lima EL 'COMERCIO in Spanish 14 Jul 85 Dominical pp 4-5

[Interview with Dr Fernando Hurtado Pascual, chief of the Department of Food and Agricultural Products Technology at the National Agrarian University of La Molina; by Manuel Cisneros Milla, date, time and place not given]

[Text] [Question] How would you characterize the country's food and agriculture problems?

[Answer] First, I would point out that the food and agriculture problems date back to the arrival of the Spaniards in this country. They converted the agricultural or agrarian structure of the Inca Empire to an economy based on the extraction and exploitation of natural resources, without regarding agriculture as the foundation of our development. It should also be noted that this system of economic organization was instituted not only in this country and other Andean nations, but also in the other so-called underdeveloped countries. The industrial development policies that have been pursued with a view to improving our peoples' standards of living also arose out of this concept. And they too have failed to yield the expected results, because they were promoted by the developed countries for the purpose of expanding the market for their technology and equipment.

[Question] How has importing technology affected the development of our agriculture?

[Answer] In the case of the food industry, which is closely linked to the development of food and agriculture in our country, a transfer of technology has taken place to meet the needs of basic industry. This industry is extremely dependent on imported inputs, especially agricultural raw materials. I will cite two examples: We import more than 60 percent of the raw materials required for the processing of oils and fats, and nearly 100 percent of the inputs in the milling industry. Each year that percentage grows higher. We are already buying more or less 1 million metric tons of wheat from abroad. There is no doubt that in the coming years it will be very difficult to purchase these imports due to the lack of foreign exchange and the enormous foreign debt we must face.

[Question] What can be done, then, to deal with this grave plight?

[Answer] We must turn our attention to domestic resources, and gradually change the technology we have been using to adapt it more to the use of native products, such as quinoa seed, tarhui, domestic wheat, and other products that we have--unnecessarily and incredibly--abandoned. We have conducted research on these products, and in laboratory tests we have been able to replace imported raw materials with them. But now we come up against the problem I mentioned earlier, that they cannot be used on an industrial scale because industry is not equipped for this kind of product, only for foreign ones. Domestic wheat, to cite one example, would have to pass through our industries' present milling equipment twice instead of once to get the same results as imported wheat. The equipment in our mills was designed by countries that have a certain kind of wheat which is unlike our own.

We should also point out that in the food industry the transfer of technology not only entails or requires payment for patents, royalties and spare parts, but it also ties us to the use of imported raw materials. For this reason, our food industry is no longer playing the important role of generating demand in the agriculture and livestock sector, and thus national agrarian production is depressed. In short, it can be said that our food industry is promoting the development of foreign agriculture, and in turn, it keeps national agricultural production on the sidelines, with no alternatives.

[Question] In other words, the food industry is totally divorced from national agricultural production?

[Answer] Exactly. And this divorce has caused us to abandon the technologies that were used by the Incas, with great insight and tremendous results. A surprising example is the processing of "chuno" [freeze-dried potatoes], which one American scientist claims is the first food technology developed by mankind to preserve food between the harvest and times of scarcity. After about 5,000 years, however, this technique has been totally abandoned, which also shows that we are incapable of taking advantage of the ecological characteristics of our Andes.

[Question] Can you point out or explain any other examples?

[Answer] Certainly. The use of the muna, a bush that grows in the Andean valleys and was used during the Inca era to preserve potatoes, has also been abandoned. Recently some specialists have taken an interest in researching this plant, though it has been present in our culture for thousands of years. This and many other technologies that could be used to take advantage of our natural resources have not been studied or researched, and the result is the utilization of technologies that have not only generated a new kind of dependency, technological dependency, but what is more serious, they have created a food dependency that is causing us ever more serious problems.

If we do not reestablish the ties between our industry and the use of local products, there is no way we can develop our agriculture. Bringing industry and national agricultural production together will also prevent the tremendous losses that we are suffering, for example, with increased rice and potato

production, even overproduction, which are devastating our farmers. If the food industry is not in a position to absorb these surpluses, the agrarian sector will continue to be depressed. Thus, the food industry is the key factor in the development of agriculture, and therefore, in the country's self-sufficiency in food. If we do not take this approach to the problem, we will continue to use inappropriate technologies and imported raw materials, even at the cost of spreading famine and making hunger one of our greatest ills.

[Question] Staying with this idea, how can we close the abyss between industry and production?

[Answer] One strategy would be the development of rural agroindustry. This reminds me of what someone once said, to the effect that a country's ability to produce food is similar to the bird's ability to fly: It must have two wings, one of which must be the production of agricultural and livestock raw materials, and the other, industrialization. If we want to fly in the area of food, it is imperative that we develop these two wings simultaneously, and that will be possible if we work hard enough in the rural sector, in which the farmer can set up small plants where he can process his own products. This will stimulate other factors in the economy, and contribute to the solution of various problems, such as migration from rural to urban areas.

The development of the rural food industry would provide a number of advantages that would favor the integral development of the country's agriculture and livestock areas, which are in a state of depression today. At the same time, it would meet the food production deficit head on. We should also note that the food industry's dependence on foreign raw materials is reflected in the location of its plants, in coastal cities and ports. These plants are therefore far from the mountains, the jungle, and some coastal regions. Tax incentives should thus be used to channel resources toward the integrated development of rural industry and agricultural production.

[Question] How can this reorientation be carried out, for example, in the major agroindustrial complexes on the coast, which are cooperatives today, with their huge investments in machinery and equipment?

[Answer] The case of these agroindustrial complexes clearly demonstrates that our economy was open only to the international market. Although many agricultural development plans were developed along these lines in good faith and with excellent national technicians, our country or our agriculture ended up depending on the prices imposed by the foreign market. Logically, or at least according to the logic of this policy, we produced what was most profitable; now cotton is displacing wheat on coastal farms. But we see frequent crises as a result of dependence on a single crop, because of externally imposed fluctuations in prices. Moreover, we have no alternative because we have developed a technological, physical and even professional or human infrastructure that is oriented toward a single crop and that is extremely difficult and costly to change.

If it has taken us 50 years to build this industry, it is easy to imagine that replacing it will not be a matter of 2 or 3 years. That is why our

medium- and long-term plans must be very mindful of this experience, so that we do not repeat it. Our model and structure of development must be modified, even though that change will have to be very slow and difficult, as I said, because of our infrastructure and the professional training our experts have received.

[Question] What other recommendations do you have for drawing up a new food and agriculture policy in this country?

[Answer] One of the first actions to take would be to gather together the representatives of the different productive and social sectors to arrive at a common vocabulary, first of all, so that we will all speak the same language (and this is no exaggeration) in terms of food and agricultural development. There are other factors just as important as production and industrialization that play a decisive role in the solution to these problems. Consumption patterns are one, and they are derived from a transculturization phenomenon in which education has imposed foreign models on us. Movies, and now television, magazines and newspapers have given us a number of food values, and continue to reinforce these values, even though they are not in keeping with the availability of resources here. Educators, then, have a fundamental role to play, as do psychologists, sociologists and all those who directly or indirectly influence our education. At the government level, the respective officials of the Health, Education, Economy, Industry, Agriculture, and Transportation Ministries, and others, will have to meet in a large multi-sector commission to formulate a truly integral program. In other words, this is not the exclusive responsibility of one ministry, such as Agriculture; it is a collective responsibility, and the newspapers and television must change their content to give our people a new orientation.

In the second place, we must seek what is ours and rescue our own food, taking advantage of the value that can be obtained from quinoa seed, tarhui, canihua, and the fish that is so abundant yet so far from our tables. We must rescue the aforementioned processing and preserving technologies. As far as high-altitude storage is concerned, today in the United States it is coming to light that low pressure doubles or triples the shelf-life of preserved foods, and we have been using this in high-altitude areas where this vacuum is produced naturally. We have a lot of things to salvage, and we should make a list of this whole technological heritage. Then, following strict priorities, we should investigate the techniques thoroughly so that we can use our own food processing and preservation technologies.

[Question] Do you feel that with these technologies we will be able to meet the food needs of 20 million Peruvians?

[Answer] The population of the Inca Empire was no less than 10 million, and unlike other peoples at the time, they did not suffer hunger. Very close to Lima we still find many abandoned cultivation terraces, and there are many more in the rest of the mountains. They attest better than anything else to the creativity of our ancestors, and to our own neglect in failing to follow their teachings and example. If we continue the way we are, depending on external sources, very soon we will end up importing quinoa seed, which is now being planted widely in Colorado, in the United States of America.

Recommendations for Boosting Fish Consumption

Lima EL COMERCIO in Spanish 14 Jul 85 Dominical pp 7, 18

[Passages enclosed in slantlines printed in boldface]

[Text] Two Principal Sources of Fish

The two principal sources are small-scale fishing and fleet fishing. Small-scale fishermen obtain fish all along our coast, but under precarious conditions. The fish they offer the consumer is in small quantities, and therefore its price is high. If these fishermen were protected adequately, through credit facilities that would enable them to purchase more modern fishing equipment (for example, special nets, and sonars to enable them to find schools easily), they would produce much more, sell much more, and because prices could be kept down, earn much more.

As for fleet fishing, the only thing we are really fishing for at this time is sardines. The shocking fact is that we are using the vast majority of these sardines to make fishmeal, which the Fishing Ministry euphemistically calls "fishing for indirect human consumption."

Our fleet is not equipped to fish for edible fish (except for sardines), such as yellow jack, mackerel, and hake. These fishes are obtained in the form of a tax, a small percentage of the catch of the Soviet high-seas factory ships.

The result of these limitations is that in Peru today, very little fish is eaten: some 13 kilos per capita per year. If we bear in mind that this figure is an average, it is clear that a great many Peruvians do not eat fish at all, or only sporadically.

In addition to fresh fish, we make canned products. But the price of canned fish is too high for popular consumption; only the wealthy classes can afford it. Most canned fish is exported.

Some Methods of Increasing Fish Consumption

Considering the riches contained in our sea, it is indeed tragic that our people consume so little fish. It is even more tragic if we realize that with good organization and proper planning, this situation could be altered drastically. Let us look at a few possibilities.

Sardines are caught in large quantities by trawling methods. If we take good care of the biomass to avoid the danger of extinction, sardines can provide our people with a delicious and very cheap source of food. Because it can be caught on such a large scale, there is no cheaper fish than sardines. If instead of converting almost all of the catch into fishmeal, we marketed sardines and made them available to the public, we would be making a significant contribution to solving the protein shortage in the Peruvian diet.

Some object that sardines are too bony and are too inconvenient to eat without special preparation. This is true, but the problem can be solved by showing

housewives how to prepare it properly. The best procedure is to cook the sardines in a pressure cooker. In this way, the bones practically dissolve, and the fish can be eaten easily.

One might argue that it is absurd to expect that poor households will have pressure cookers, because they are very expensive. But this difficulty can be overcome with adequate industrialization. Pressure cookers are expensive because they are produced in small quantities; if they were produced on a large scale, they could be much cheaper. If the state provides facilities for private industry to mass-produce them (lower taxes, preferential loan terms, etc.), the price could be brought down drastically. In addition, facilities should be provided to buyers to enable them to make installment purchases, with the lowest possible interest rate. Naturally, none of this can be done without an adequate publicity campaign and public education. For example, people should be told that after the sardines are subjected to the high heat of the pressure cooker, they must be left to cool so that the meat can recover its elasticity. All this is perfectly feasible if the Fishing Ministry is really interested in the project. Needless to say, the pressure cooker is good not only for deboning sardines, but also for cooking a wide range of foods that can thus be made more digestible. In other words, the purchase of a pressure cooker can improve the family's cuisine. To find out whether pressure cookers can be sold on a large scale to the poor, we need only look at the tremendous number of television sets that can be found in the slums.

The idea of using pressure cookers to increase fish consumption may seem far-fetched, but it is perfectly feasible. It is only strange because of the lack of imagination with which our fishing policy has been pursued.

Of course, other species of fish can and should be offered to the consuming public, such as yellow jack and mackerel. As we have said, these fishes are available on the market, and their prices are not too high compared to other fishes'. But they are still in short supply, and the Ministry's campaigns have been sporadic and therefore insufficient.

In addition to providing sardines in large amounts according to the above-mentioned method, there are two significant possibilities for increasing fish consumption. The first is salted fish, and the second is fish paste. Let us look at the first one.

/Salted fish/ is made by treating fish with salt in such a way that it can be preserved for a long time, and can be transported long distances without the need for refrigeration. Once it reaches its destination, the fish need only be placed in water to eliminate the salt and thus make it completely fresh. The technique of salting fish is used in northern Peru with great success, and it is unpardonable that the Fishing Ministry has not participated extensively to promote this industry and expand it all along the coast. This would make it possible for the entire nation to obtain salted fish. The importance of salted fish is that transportation is made easier and much cheaper, which lowers the price of the fish itself.

Now let us look at the method of making /fish paste/. This technique is used with great success in countries such as Japan, Sweden and the United States.

Fish paste is made with the meat of a variety of species, so it is easy to make because no difficult selection is required. The final product is a paste that is a little thicker than butter. Thanks to its plasticity, it can be molded into a thousand different shapes, and can be prepared in an endless variety of ways. It can be eaten like butter, spread on bread or other foods, or eaten directly as appetizers, or it can be added to different stews or casseroles.

Fish paste is relatively cheap to process, and if facilities are provided to private industry, production and consumption levels can be very high. The state should also intervene to provide incentives and guidance.

To give an idea of the inefficiency and lack of imagination that have characterized our actions, suffice it to say that several years ago Japan donated to Peru a complete set of equipment to make fish paste, and that this equipment is now languishing.

Other Means for Increasing Protein Consumption

Other means that could be vitally important if proper steps are taken are mariculture and aquiculture, that is, /the establishment of farms/ to raise fish, shrimp, lobster, oysters and mussels. The development of this method is just beginning in Peru. It has the advantage that fish can be raised in the interior of the country, and the product can be supplied to many regions.

The only kind of mariculture that has been developed at all is that of oysters and lobsters. As usual, however, everything is oriented toward exports, so that there is very little benefit for national consumers.

To develop this kind of production, the state must engage in adequate planning. The different possibilities must be studied, and producers must be oriented toward the appropriate techniques for breeding and marketing.

In Short . . .

Considering the resources available in our sea, we Peruvians consume tiny amounts of fish. This amount could be increased dramatically if we changed our current policy, which is totally export-oriented. Unfortunately, much time has been wasted, and this situation has been dragging on and worsening for years. If the state decides to make a real change in its fishing policy, however; if it updates its methods; if it provides the necessary aid, which would not imply an impossible economic investment; if it obtains adequate information; if it proceeds with creative ideas, then the situation can change in a much shorter time than one might expect.

If the fishing sector turns around, and a suitable policy on fishing and land resources is instituted, Peru's food problem can be solved. In short, the problem is difficult but not impossible. Peru has an undeniable potential for providing its own resources for feeding its entire population adequately.

8926

CSO: 3348/833

PERU

'SHILKA' ANTIAIRCRAFT CANNONS DISPLAYED

Lima EL COMERCIO in Spanish 14 Jul 85 p A-7

[Text] During the great military parade that will take place next 29 July, the "Shilkas," the army's powerful antiaircraft weapons that are capable of intercepting and bringing down the fastest combat jets, will be displayed in public for the first time.

The War Materiel Service is now subjecting the "Shilkas" to a rigorous maintenance program in order to ready them for the aforementioned day, when one of the main events of National Day will take place.

The Soviet-made weapons have four 23-mm cannons capable of firing up to 3,200 rounds per minute.

The cannons are mounted on a tracked armored vehicle, and they move automatically to aim at the target (aircraft) in accordance with the data received by the radar that is mounted on the turret, working in conjunction with another, longer-range radar.

Electronic Instruments

The War Materiel Service, which marks its 26th anniversary tomorrow, Monday, is also involved in modernizing or refitting an undetermined number of French-made AMX 13 light tanks.

These armored "attack tanks" have been converted from a gasoline engine to an diesel engine. Their firing systems have been improved, electronic instruments have been added, and other modifications have been made to improve the combat capacity of these tanks.

At the same time, the Army Air Corps maintenance service has been periodically disassembling and assembling MI-8 helicopters equipped with rockets and Alouette wire-guided missile launchers.

The work is being done entirely by petty officers and officers who have received specialized aeronautical engineering training in the Soviet Union and other countries. This represents a major savings for the military.

8926
CSO: 3348/833

PERU

BRIEFS

PETRO-PERU ANNUAL LOSS REPORTED--The State Petroleum Agency (PETROPERU) will lose between \$600 million and \$700 million this year, said Senator Carlos Malpica Silva Santisteban yesterday. Silva Santisteban is a member of the committee that is investigating that enterprise's economic and financial situation. "This is a scandal in a poor country like Peru, where foreign investment never amounted to that much in a single year," asserted the Communist representative. He claimed that foreign firms have invested no more than \$200 million to \$250 million each year. Despite that, however, the state oil enterprise managed to lose \$600 million. He declared that despite this situation, the company has not explained how the money was spent. He said that the irregularities are due to a number of factors, including the fact that in 1980 PETROPERU had 8,000 employees, while oil production and reserves declined that year; by 1985, the number of employees had risen to 11,000. He added that in 1980, 25 percent of PETROPERU's budget was earmarked for payments to third parties (private companies that rendered services), while those services now account for 50 percent of that same budget. "This means that the number of employees has grown at the same time that services by third parties have grown, when it should be just the opposite." [Text] [Lima EL COMERCIO in Spanish 18 Jul 85 p A-4] 8926

CSO: 3348/833

ST LUCIA

ODLUM URGES OPPOSITION UNITY; SLP SAYS 'NO'

Need for Cooperation

Castries THE WEEKEND VOICE in English 27 Jul 85 p 3

[Text]

GEORGE ODLUM, leader of the Progressive Labour Party (PLP) thinks that the opposition parties will unite to fight the next general election due in 1987, "if there is any good sense prevailing."

The former Foreign Minister was speaking Thursday at a press conference which he said had been called to clear the air on some of the issues around.

He said the opposition forces in the country were in a "divided state" with the St. Lucia Labour Party on one side and the PLP on the other side, adding that "if the opposition is to rid St. Lucia of the inept government of the UWP it is important that there is some sort of accommodation among the opposition as a prelude to unifying the island as a whole."

The PLP is a splinter group of the SLP. The party was launched in 1981 following a rift in the SLP which surfaced six months after that party won an overwhelming majority in the general elections of 1979.

Odum told newsmen that there were "certain marginal discussions" between the parties which he felt would mature soon. He said the rank-and-file of both parties felt that there was a need for "an accommodation but there was "some resistance" at executive levels in both parties. He explained that there was a common basis for the unity of the parties since they were "horses out of the same stable."

Odum also took the government to task on the state of the economy which he said "was something that most people have accepted as deplorable."

He continued: "The World Bank and the IMF have seen St. Lucia as a bankrupt nation. This reflects tremendously on the leadership of the country. It is a leadership that had promised us fantastic things in terms of rapid and immediate employment. It had promised to

do something with the balance of payments position, inflation and to generally handle the economy within six months.

This has clearly not materialised...so we find an economy which is to all intents and purposes bankrupt and unable to service the people of the community."

The party leader said despite all that, the picture being painted by the official media was "a rosy picture" of projects in the pipeline, invitations to royalty to visit, festivities and block-o-ramas.

He criticised the planned joint military exercises between United States and Caribbean forces to be held in St. Lucia later this year, saying the "war games" were being organised for St. Lucia without the consent, acceptance, advice and consultation of the people.

"What right has the Prime Minister to designate St. Lucia as a centre for manoeuvres of a military nature, organized by the United States Government in conjunction with the Eastern Caribbean Governments on St. Lucia soil after there have been contradictory statements by different heads in the Eastern Caribbean about the validity of the exercises and about the necessity of having a regional army or a regional defence force in our midst?" Odum asked.

He said there was generally a strong feeling that "we should not have military men training our police because the disciplines are completely different."

SLP Statement

Castries THE WEEKEND VOICE in English 27 Jul 85 p 2

[Text]

LABOUR Party leader Julian Hunte says his party has identified candidates for all 17 constituencies with a view to contesting the next general election on its own.

Hunte made the disclosure in a recent interview with the Caribbean News Agency correspondent Reudon Eversley. Details of the interview were released by CANA on Thursday afternoon. The following is the text of the CANA item:

The Opposition St. Lucia Labour Party (SLP), punished by the electorate three years ago after a prolonged leadership struggle, takes its move toward political rehabilitation a stage further with its annual convention next month.

Prominent city businessman Julian Hunte, chosen as political leader last year, said the SLP views the August 25 conference, which will shape party policy, as an important step in its reorganisation, especially as it feels Prime Minister John Compton may call a premature poll next year.

The leadership struggle led to the downfall of the SLP Government in 1982, almost three years after the euphoria caused by an end to over 15 years in opposition. Protagonists were then Prime Minister Allan Louisy, who has since bowed out of active politics, and his leftist Deputy George Odum, who severed ties with the SLP and formed the Progressive Labour Party (PLP).

Hunte, 45, acknowledged the infighting had seriously hurt the party's image, but with the subsequent change in leadership after the electoral defeat, he said the SLP had put that setback behind and was on a new course.

"We have learnt from our mistakes and will be making a concerted effort to ensure the mistakes of the past do not reoccur," he said.

Hunte, in a recent CANA interview here, said it was emerging as the party's programme took shape, that the focus of a future SLP government would be on promoting self-reliance, through developing and utilising whatever natural resources available in St. Lucia.

Questioning why should an agricultural community like St. Lucia be spending 100 million dollars a year on imported food, he said developing agriculture would be an area for immediate attention as well as the promotion of indigenous industries to aid job creation.

Asked about the possibility of an accommodation with the PLP to contest the next general election, due by 1987, Hunte said the issue had not come up formally, and the SLP had identified candidates for all 17 constituencies with a view to contesting the election on its own.

Well-placed political sources here said Odum has been sending signals to Hunte indicating interest in some kind of electoral arrangement, but a section of the SLP was firmly against any alliance with Odum whom they blame for the party's fall from power.

Asked about the role of St. Lucia internationally under a SLP Government, Hunte said although the party had not formally decided as yet on the type of foreign policy it would pursue, he favoured adopting a non-aligned course.

An SLP administration, he added, "would be primarily concerned with doing what is necessary to strengthen St. Lucia's economic unit and not necessarily to get involved in anti-American or anti-Soviet or anti-left or what have you rhetoric."

"We feel we have enough problems on our hands (here)," he added. (CANA)

Odlum Press Conference

Castries CRUSADER in English 27 Jul 85 pp 1, 7

[Text]

Leader of the Progressive Labour Party, George Odlum this week met members of the local media.

Mr. Odlum in a forty-minutes press-conference spoke on a wide range of issues including: The state of the opposition forces, the war-games, the training of St. Lucian Policemen by U.S. military personnel, and the state of the St. Lucian economy.

Mr. Odlum described the state of the economy as being "DEPLORABLE", and said that the situation reflects on the leadership of the country.

Speaking on the level of City Council taxes Mr. Odlum said, "At the moment there is quite a lot of protest from individual people about the level of taxation. We have the City Council and their house taxes and property taxes. There are a series of protest being lodged. We hear the Mayor and the Council insisting that these taxes ought to be paid. We know that we are talking about a Council that has been characterised by official reports as being corrupt and should be disbanded. We know that the Prime Minister and the Minister incharge of local Government promised elections within a year. There has been no elections

to the City Council. The body as corrupt as it is continues to operate against the provisions of the law, unconstitutionally, and so we are required to pay heavy house and property taxes to a body that is unconstitutional. I could remember times past when the Prime Minister himself from his opposition perch called on the people of St. Lucia not to pay taxes for various reasons. One should ask, why should any householder pay taxes to a corrupt body like the Castries City Council, and a body that is illegitimate or rather illegal?"

Mr. Odlum also questioned the war-games to take place in St. Lucia later this year, saying: "So there we are, we find our community faced with that type of dilemma of a Government that compromises itself seriously on issues like; the war games within our midst. Here we have a community being provided with a fait accompli where war games are being organised for St. Lucia, without the consent, without the acceptance, without the advise, without the consultation of the people of St. Lucia. What right hasd the Prime Minister to designate St. Lucia as a centre for manoeuvres of a military nature organised by the United States Government in conjunction with the

Eastern Caribbean Governments, on St. Lucian soil? After there have been contradictory statements by different heads in the Eastern Caribbean about the validity of these exercises and about the necessity for a regional army or a regional defence force in our midst. Our Prime Minister himself has done a double-talk on that issue. Prime Minister Mitchell from St. Vincent opposed it, and generally there is a strong feeling that we should not have military men training our Police, because the disciplines are completely different. The discipline required of a trained Policeman is essentially different from the discipline required for a trained killer, and we have seen the manifestation of this type of training in the recent occurrence in St. Lucia with the death of Yamaha, which has been a serious blot on the human rights record of

this country, and one which will not be put right simply by appointing a Commission under Justice Renwick. We have seen many of these commissions before which have not reported, and we want to know what is being done on this issue, whether the serious issues arising from the Yamaha case are being taken bit by bit and investigated. e.g. 'Who authorised the Policemen to carry guns on that fateful day? Did the Commissioner authorise it? If he did he should be taken to task for it or at least he should admit it. We cannot be guilty of this kind of gloss on such important matters. The right to life is sacred, and our Policemen should not be authorised gunmen. In saying so we are not taking to task the Police Force. We are taking to task the leadership of the country which condones all sorts of injustices and irregularities.'

Text of Odlum Interview

Castries CRUSADER in English 3 Aug 85 pp 6-7

[Text]

LEADER OF THE PROGRESSIVE LABOUR PARTY, GEORGE ODLUM, MET WITH MEMBERS OF THE PRESS. LAST WEEK.

MR. ODLUM WHO WAS INTERVIEWED BY THE VOICE NEWSPAPER REPRESENTED BY DAVID VITALIS* RADIO ST. LUCIA - ERNIE SEON, RICK WAYNE - FORMER STAR NEWSPAPER AND NICHOLAS JOSEPH OF THE CRUSADER RESPONDED TO A NUMBER OF QUESTIONS INCLUDING THE STATE OF THE OPPOSITION FORCES* THE POLICE, DRUG-TRAFFICING AND THE WAR-GAMES.

THIS WEEK THE CRUSADER PUBLISHES THE FULL TEXT OF THE INTERVIEW.

RADIO ST. LUCIA:

You outlined a number of factors which you say are going to affect the future of the country, as far as the economy is concerned, and generally as far as the livelihood is concerned. But there is one pertinent factor you have not talked about at all, and that's the state of the Opposition forces in the country. The Government can be accused of all sorts of

wrongful things but if the people, the electorate cannot see a viable opposition to the Government, then of course the government is simply going to be re-elected. What is the state of the opposition forces in the country?

GEORGE ODLUM:-

The state of the opposition forces in the country is a divided state. There is the St. Lucia Labour Party on one side. There is the Progressive Labour Party on the other side, and if you have to go back historically, I wish to take you back to 1982 prior to the elections when the burden of my whole argument to this country was that the U.W.P. and Mr. Compton were completely incapable of handling the problems of the country alone, and I went as far as saying that the S.L.P. at that time couldn't handle it alone, and the P.L.P. couldn't handle it alone. So the logic of the argument was that there was need for some sort of Unity in the country to face not only the international forces and the international economic problems, but to face the problems which confronted us as a region. So the logic of what I am saying is that we must unite the people of St. Lucia in order to face those forces. The same

argument must be transposed into the position of the opposition. If the opposition is to rid St. Lucia of the inept Government of the United Workers Party it is important that there is some sort of accommodation, among the opposition as a prelude to unifying the island as a whole.

RADIO ST. LUCIA:

What are the chances of the opposition groups?

GEORGE ODLUM:

If there is any good sense prevailing the opposition groups will unite to fight the elections.

RICK WAYNE:

Mr. Odlum the immediate reaction to your statement regarding the Police is to recall that when your Government was in power, the last Labour Party Government, we had ostensible Police atrocities in every way similar to what we have had in recent times. Your government is on record as having done absolutely nothing about it at the time, and I remember suggesting then that your Government like the previous Government was playing ball with the Police Department for electoral reasons, and to hell with the people, and now you seem to be talking of recent atrocities totally ignoring various similar atrocities, aren't we talking from the corner of our mouths right now?

GEORGE ODLUM:

Not really. There was a dilemma in the Labour Party Government, and I stand here as a visible symbol of the dilemma, and the reason why I moved out of government was because the views which we were promoting at that time, were views in opposition to the more traditional views which existed in the Labour Party. My position on the Police and the position of the Progressive Wing of the Labour Party on the police was consistent. As a matter of fact it is ironical that it was this very fact of our interest in the Police and re-shaping the Police which was used to make the then Prime Minister feel that we were trying to get control of the Police, as a result it created some of the division within the party itself. As a matter of fact the Police reaped many benefits from the Labour Administration, one was benefits in terms of wages and conditions which now they consider to be infinitely better than, than

under this regime which is seen as an extension of some.....(Interjected by a question)

RICK WAYNE: But correct me if I am wrong; I seem to recall a statement from you in particular, during the early days of the Labour Party Government that suggest that you wouldn't be all together averse to an army being put into operation in St. Lucia, and now it seems that we have an army one would expect you to be happy about that situation.

GEORGE ODLUM: We must never confuse the issues. What we were talking about at the time was a sort of national service of youth, trained in discipline and calisthenics and that sort of thing. We didn't talk in terms of a regular army fighting. We didn't anticipate the invasion of foreign countries. These are two distinct issues.

VOICE: Mr. Odlum, in your criticisms of the Government you have constantly indicated that there is no confidence in such an administration based on all the criticisms you have offered. But now by your own admission it would appear that an election is around the corner, and we would have thought that you would have saluted such a move, an election any time now, but I think the current issue of your Crusader justify that if any election is called particularly after October it would be political strategy in the interest of a particular party (the ruling U.W.P.) Isn't that a contradiction, and that your statements in the past would mean that you would prepare, and your cadres would be prepared to fight an election any time it was called?

GEORGE ODLUM: Well there is nothing in the paper to suggest that we resent elections being called. We just resent the way it is being done. We have before us the model of Jamaica where the same trickery, the same deception took place, where Seaga rushed and called an election which didn't smack of democracy at all. It didn't give any one time to prepare. It allowed the Government to take advantage of the fact that it controlled the media and the funds and everything; so we couldn't say that this was a people's election, giving the people an opportunity to express a clear choice. So this is a tactic, a deception. It seems to be a modus-operandi in these days. We are saying if this is so, we must alert the

people to the full import of what it is. We haven't said we wouldn't fight it, we haven't said that's it... All we said is undesirable, is the atmosphere of deception.

RADIO ST. LUCIA: Mr. Odlum but if you were Prime Minister, you certainly wouldn't call an election at a time which would favour the opposition parties and not your party?

GEORGE ODLUM: No! A Prime Minister has a right to call an election when it is favourable to him. That doesn't mean you must either give two or three weeks notice or orchestrate things to the disadvantage of opposition groups. You have heard the Prime Minister recently making some very dangerous statements about funding for opposition groups, which he will put himself out to stop. Not even President Reagan himself will block avenues for opposition groups having either the opportunity to express themselves on the media, and its very interesting that we are seeing some of the television programmes from the United States, which show that opposition groups have a chance to get their voice across, and the same doesn't operate here in St. Lucia.

RICK WAYNE: Mr. Odlum it would seem that the obvious tactic and strategy would be for the existing opposition bodies to pool their resources to fight the government right now at an election, since both parties consider the government less than appropriate. What are the fundamental differences between the two parties, what it is that actually keeps them from coming together?

GEORGE ODLUM: Well some of it is manipulation, manipulation both externally and internally. The division you see all over the Caribbean is a manipulated division. We saw it in Antigua prior to the Antigua elections, where the opposition forces were called together for common talk and two weeks before the elections a manipulated section pulled away leaving the opposition totally divided. You can see the manoeuvres in all the different countries where funding, expertise and everything is used to create a division of opposition forces to the advantage to the forces of reaction.

RICK WAYNE: But that does not put a cap on the thing at all. Its a vague statement about forces pulling them apart, you didn't touch on one fundamental difference between the two groups, that would actually keep them apart over-riding those instances of manipulation.

GEORGE ODLUM: Oh! Men can always rise above the situation, that's a fact. As a matter of fact the St. Lucia Labour Party and the Progressive Labour Party are horses out of the same stable so there is a common basis by which there could be some accommodation. There is no deep division, a lot of the differences between the two groups have been articulated by people who either frighten people about radical elements or making a smear of communist touches, and that sort of thing in order to keep the divisions. This doesn't exhaust the ingenuity of the leaders of the organisations to work something out.

RICK WAYNE: It seems to me that you were suggesting that despite the Attorney General's threat of a rather big fine for drug-users caught that something was implied there, that I thought it may well be that in St. Lucia as happened with the Turks and Caicos, leading members of the Government may themselves be involved in Drug-trafficking and it is quiet likely that the threat of heavy fines might deter the little man and leave the market free for the big man. Did I get that correct?

GEORGE ODLUM: Yes, there were some implications that there are prominent people involved in drugs in St. Lucia. Both people within the Government machinery and outside of it. There are prominent people involved in drugs in St. Lucia that actually operate in collusion with the Police in order to pervert the course of justice.

VOICE: Mr. Odlum would you subscribe to the argument that if the P.L.P. is to gain any kind of electoral and political recognition in terms of being elected as an alternative government that you and your image will have to take a back seat and allow someone with a softer image?

GEORGE ODLUM: Not on the contrary image is something which is easily manipulated, a bad image could be made good over night as we have seen with Mr. Compton in previous elections. So the image is something which is so variable that its not worth considering here. But what I want to say, is that the objective conditions on the ground now has given the lie to a lot of the statements made against the P.L.P. position, and the objective conditions give some validity to what the P.L.P. has said from 1962 until now. We said that it wouldn't work, that the U.W.P. could not turn around the economy and they can't. We said that they wouldn't be able to provide jobs and they haven't provided the jobs. We said that Hess would have no employment impact on St. Lucia and it hasn't. Its virtually closed down. We warned people about what would happen if the Police Force is handled in a certain way and it has happened. We warned about victimisation and we saw what happened in the David England and Monrose cases. We have seen all these things, so one just has to use the benefit of hindsight to see a certain logic in the position of what we said all the time. Far from saying that we need a softer image, I think we need a more strident expression of the principles and values that we stand for.

RADIO ST LUCIA: What are you doing to bring the opposition parties together?

GEORGE ODLUM: There is certain marginal discussions between parties which we think will mature quite soon. I think the rank and file of both parties feel that there is need for an accomodation. There is some resistance at executive level in the parties, people having sort of different perceptions and personal things to see about. There are problems about the leadership, and I suppose this will always be a bone of contention and these things have to be ironed out by men and they must be ironed out in a way which focuses on the past. We have the benefit of hindsight to things that have happened in the past, but it must be ironed out in a way that does not dilute too much the principles that we stand for and the programme that must be used in order to take this country onto a new course.

RICK WAYNE: You hinted that the City Council has been found guilty of corruption in the past and should be disbanded. Would you want to make it clear what corruption you talking about,

GEORGE ODLUM: One just has to refer to the Noon report on the City Council which specified the different areas of corruption and their operation ever since, and you know it is accepted by the Prime Minister himself, who has said in subsequent budget speeches that there is virtually a den of corruption in St. Lucia? But nothing has been done about it?

CRUSADER: Mr. Odum what lesson can one gain from the Dominica elections for the Caribbean?

GEORGE ODLUM: I think one thing which has come out of the Dominica election is the fact that the persons who were most smeared in the opposition are the people who retained their seats. I think there is some message where, if the person who expresses a desire to represent people comes over as being competent and viable and prepared to represent the people, then he will probably get the chance above the traditional people who do not do the work and expect to get in simply on a party ticket. I think that the heavy bombardment by the Eugenia Charles Government of the progressive elements in the opposition in Dominica simply did not work.

RADIO ST LUCIA: Mr. Odum how do you explain the fact that your party had not held an election for some time and claims to be operating constitutionally?

GEORGE ODLUM: We were supposed to go into a Congress this year which has been postponed for a number of reasons, but the party is a matter of a few years old and if you look at the record you will see that in terms of the amount of time we existed we have had more congresses than the other parties which have existed for a long time. Some people tend to use this congress idea to suggest that there is a feeling that they want to be no challenge to the leadership. The P.L.P. is an open, very democratic group and if there has to be a change of leadership in

the P.L.P. and that is not an issue at the moment, but it will take place. We are not avoiding a congress for any reason like that there will be one in the months to come.

RADIO ST LUCIA: You mentioned the war-games, would you have seen the need to consult the people on that issue if you had a strong electoral mandate as the Government has?

GEORGE ODLUM: Oh yes! Oh yes! this is crucial this is crucial, because there is strong resistance to the war-games on the ground especially as a lot of the people have seen over the months the pattern of intimidation which the S.S.U. groups and marines and everyone, has been using on the community and there is a resistance to them in the community. There is a cultural objection to the way the American Trainees are operating here, I think it is something which should have been sounded out on the ground.

VOICE: Mr. Odlum during the last election campaign you were a proponent of a National Unity Government (yes) but it would appear that immediately after the campaign your views on National Unity has cooled down. We would tend to think that at this point National Unity might be even a higher priority than before. What has become of your views on National Unity Government?

GEORGE ODLUM: Consistant! My views on National Unity, I think the reason why these economies cannot work is because the people on the ground, are not pulled together, sometimes when the parties are heavily polarised like Jamaica and St. Lucia, almost tribalised, even something undertaken by a Government in office, it might be good, but it doesn't go down well generally with the people, and a lot of resistance to the project is organised, and people feel the resistance, but this is simply because the community is not together behind the project. This was Grenada's success under Bishop, that they brought the community together behind the project and they got economic advantages more quickly than the other Eastern Caribbean Islands where the people were not mobilised. So my position on National Unity remains the same but at the last election it was stoutly resisted and rejected by the Compton Administration, that felt they could go it

alone. They know now they could not go it alone and the facts show for themselves. So National Unity is always a desirable goal for any people and any country, and that's where we are at now, but the realities of an election you have to fight it and we have to fight what the Compton Government stand for. We have to fight that basically in the interest of the people of St. Lucia, and if we have to do it on party lines we will do it in as organised and methodical a way as we could.

RADIO ST LUCIA: You want to tell us something about the plans?

GEORGE ODLUM: No its not tactically right to say it.

CRUSADER: Mr. Odlum after the invasion of Grenada the Prime Minister of St. Lucia and other Caribbean leaders concluded that the left was dead in the Caribbean what is your views on this issue?

GEORGE ODLUM: This is one of the many off side statements which the leaders of the Caribbean made, as to the left being dead. I made a statement at the time suggesting that there were set backs by the Grenada Invasion for the Progressive Forces, because for one, people were completely clouded by the show of military might and military power, there was an organised deception on the media to lull people into a false sense of security and to take them away from the moral high ground of resistance to the violation of an international principle, into the spacious argument about protecting the people of Grenada and returning them to democracy, which today has proven to be specious because if we traced from the days of Gairy, with Compton's support of Gairy, and at the time of the Bishop Revolution where he tried to get the British Forces to reinstate Gairy, if we trace that story right down to the present day we would have found that we have not benefited much from it, and international opinion has remained implacably against the Grenada Invasion and now people in the Eastern Caribbean on the ground are seeing that they were taken for a ride on the Grenada issue, even some of the Ministers of Government are saying that they were taken for a ride in that they expected the quick flow of economic assistance from America on a large scale because of their stand on the

Grenada Invasion and this has not materialised. So most of the calculations concerning the Progressive Forces have been wrong. They had been scattered for a while, but you kill men, but you do not kill the ideas that subvert the men, so these ideas will continue to flourish in the atmosphere of injustice and victimisation, which most Caribbean Leaders are supporting at the moment.

VOICE: Mr. Odlum on the streets we get the impression that your party is a den of confusion, between the more seasoned guys and the young cadres. What is the position?

GEORGE ODLUM: No, that is not the feeling on the street. I will take you on the

streets. Yes, there is some confusion, but not between the more seasoned guys and the young cadres. As a matter of fact that's one of the hopeful signs of the party. The confusion about the image of the party on the streets was that at meetings you only saw a few members of the party carrying the party's case, and some had withdrawn themselves from the hustle and bustle of the immediate struggle. I am pleased to say that this press-conference comes in the wake of a meeting of the party where all hands were on deck.

RADIO ST LUCIA: Can you tell us the results of that meeting?

GEORGE ODLUM: You may see it in the polls.

SLP Calls for Discussion

Bridgetown CANA in English 1628 GMT 24 Aug 85

[Article by Guy Ellis]

[Text] Castries, Aug 24--The St Lucia Labour Party (SLP) meets tomorrow for its annual delegates conference against the backdrop of new calls for some understanding among the two opposition groups on the island in fighting the next general elections, constitutionally due in two years time.

During the week, both former party leader Peter Josie and Secretary Hilary Modeste have taken to state-owned Radio St Lucia to call for the convention in the Eastern village of Dennery, to examine a request by Progressive Labour Party (PLP) leader George Odlum for an accommodation in putting up a united opposition front to the ruling United Workers' Party (UWP) of Prime Minister John Compton.

Odlum made the call last month while addressing a news conference. He said that already certain marginal discussions had been held with the SLP but gave no details of the sort of accommodation being sought.

According to Modeste, the question of an alliance with the PLP was likely to be discussed at tomorrow's convention which has as its theme back to work with labour. Modeste said that the party was willing to consider proposals aimed at contesting the elections on a united front.

He said although the party has not taken any official position as far as dialogue with the PLP is concerned, we must not at any time close our minds to what we may have to do, or what is necessary to be done if we are to fight an election as a united front.

Josie followed two days later stating that the convention must give serious thought to the possibility of a merger with the PLP. According to him, neither of the opposition groups will stand a chance against Compton on their own in a three cornered fight, adding: In politics one must always leave the door open for dialogue or accommodation and persons who were against any such initiative would be acting against the interests of the labour movement and the country.

Any proposal for cooperation with Odlum's PLP is bound to generate heated debate at the convention. Diehard Labourites cannot forget that it was Odlum's running bid for the SLP leadership between 1979 and 1981 which triggered the fall of the party from power three and half years ago.

Since then, the SLP leadership has said that it has learnt from its mistakes. SLP leader Julian Hunte, acknowledging that the leadership controversy had shattered the party's image, said recently: We have learnt from our mistakes and will be making concerted effort to ensure that the mistakes of the past do not re-occur.

Political observers here believe that Odlum represents the main stumbling block to any form of accommodation as far as the SLP leadership is concerned. Josie himself spelled this out in his statement this week when he said it was pointless people using any one individual as the reason why some form of cooperation with the PLP should not take place.

Ironically, Josie's breaking ranks with Odlum--they had been close political allies for well over a decade--was one of the highlights of the SLP's period of trauma during its recent term of office.

When Odlum quit the SLP after failing to wrest control of the party, Josie chose to remain and publicly denounced Odlum, saying that it was easy for him to break a friendship. It is only recently that reports have emerged that the two old buddies were towards a reconciliation.

As delegates get ready to converge on Dennergy tomorrow, it is clear that the SLP's internal problems, a characteristic of the last decade, are far from over and there is still bad blood among some of the key personalities in the party. Whether the convention will provide an opportunity for a sinking of differences in preparation for a general election that both opposition groups think will come before they are due is anyone's guess.

The meeting itself is being billed as the climax to the SLP's attempts to regroup and reunite after the debacle of the past few years. According to Modeste, the convention will debate a number of resolutions, one of which will give the party guidelines for the formulation of an economic policy programme to take to the electorate.

Hunte, who was elected party leader a year ago as part of the image-restoration exercise, is expected to deliver the main address to the 300-odd delegates during the open session tomorrow afternoon. Another important address will come from leader of the opposition in the House of Assembly, Neville Cenac.

SLP Rejection of Overtures

Bridgetown CANA in English 2308 GMT 26 Aug 85

[Text] Castries, Aug 26--The St Lucia Labour Party (SLP) has said a firm no to advances by the Progressive Labour Party (PLP) for the two opposition groups to jointly fight the next general elections, constitutionally due in two years time.

The annual convention of the SLP yesterday endorsed a resolution by show of hands which threw out of the window a recent call by PLP leader George Odlum for a united opposition front to Prime Minister John Compton's ruling United Workers Party (UWP) for the poll.

The PLP is a four-year-old splinter party of the SLP. It was formed after Odlum's unsuccessful attempt to wrest the leadership while the party was in power.

Yesterday's resolution was presented against the backdrop of public calls last week by two top SLP members for some sort of alliance with the PLP for the elections.

It said that the bottom line in any accommodation of anyone entering the SLP will be their open acceptance of the aims and objections of the SLP.

The resolution also called on the convention to repudiate the posturing and utterances of any ideology of any group or groups which undermine the democratic process and for the party not to enter into any association or agreement or bind itself with any such person or groups. Odlum is a leftist politician. The SLP is a conservative group.

What the resolution says, according to party leader Julian Hunte, is that Odlum or anyone else can apply for SLP membership and the application would be debated by the general executive in the usual manner with a decision being taken later.

Hunte, addressing the convention, did not express any personal views on the proposed accommodation, but delegates were loud in their rejection of the idea, blaming Odlum for the events which led to the party's fall from power in 1982, more than two years before its term of office was due to end.

Delegates also urged the SLP to press ahead with its plans for the emergence of a strong party to contest the elections.

Hunte, who was unanimously returned as party leader on a vote of confidence, said Odlum's recent statement that there had been marginal discussions between the two parties on the question of an accommodation, and that there had been resistance to the idea at the executive level in both parties, was calculated to create confusion in the minds of SLP supporters and aimed at perpetuating the politics of hate against the SLP leadership.

He accused Odlum of trying to make it appear that the SLP leaders were the ones who were preventing, or were against, the two parties coming together to fight Compton.

Declared Hunte: As leader of this party, I can tell you that the central executive and leadership have not taken any decision to hold any talks whatsoever, marginal or widespread, with a view to merger, accommodation or anything else with any other party in St Lucia.

The decision which the executive had taken, Hunte said, was to welcome back to the bosom of the party all SLP members and supporters who in the period following the upheaval in the leadership left to join other parties.

Hunte said that the SLP would now be continuing to plan for the next election, which he did not believe would be called long before the constitutional deadline.

He said: We will now move straight into the selection of candidates, the preparation of a social and economic policy for the party and to take this policy to the rank and file. Then we will go straight to the country. We will not wait until an election is called to explain to the public what we see as the problems in St Lucia and how we intend to tackle them.

CSO: 3298/974

ST LUCIA

JOSIE DEFEATS SLP LEADER HUNTE IN UNION ELECTION

Decision To Run

Castries CRUSADER in English 20 Jul 85 p 3

[Text]

President of the Seamen and Waterfront General Workers Union Peter Josie, has expressed optimism that he will be re-elected for yet another two year term.

Speaking to the Crusader this week Mr. Josie described as "Very Good", his chances for re-election.

The Union's Biennial Conference for the re-election of officers for the next two years will be held on Sunday July 28, 1985 at the Castries City Hall.

Mr. Josie informed the Crusader, that the Unions most outstanding achievement during the last two years was the completion of negotiations with La Toc Hotel. He said, "We have been able to get 100 percent of the service charge which we have been trying to get for many years".

Mr. Josie explained that the extra two percent has been placed into a "Welfare

Fund," which is being used as a pilot scheme, and is working very well. However, Mr. Josie expressed regret that they have not been able at least to begin construction on a new building which will be used as the Union's headquarters.

He said, "We in this union have failed to begin construction of our headquarters, and this is not only true of this executive...I don't think we have made sufficient effort in trying to build a Union headquarters, and I think that should be the greatest ambition of the next regime that comes in".

Mr. Josie said that if he is re-elected to office, he would like to head the building committee, and take this as a Special project to give the Union a headquarters within the next two years.

Mr. Josie who is seeking re-election appeals to all members to turn out next Sunday.

Analysis of Hunte's Loss

Castries CRUSADER in English 3 Aug 85 p 5

[Text]

A funny thing happened on the road to the prime ministership. That the leader of the St. Lucia Labour Party-but any political party really-should take time off to contest the leadership of the SEAMEN Waterfront and General Workers Trade Union against a prominent member of his own party, a former party leader himself defies immediate logic and opens the action to speculations, that Mr. Hunte should be defeated by Mr. Josie by a vote of 60 to 152, at the very least raises doubt over the judgement of the political leader, his advisors and executive member supporters; but worse, it now raises questions because of the almost three to one margin concerning the leadership of the St. Lucia Labour Party itself. Herein lies the problem.

What could motivate a political leader in search of the leadership of his country to open his leadership to question and challenge? Most others way past their prime, effectiveness, appeal or value would rather bring the ship down than pass on the mantle in the interest of fresh ideas and approaches.

It could be that Mr. Hunte is tired. That is understandable. No one has ever extolled the virtues of having to organise the challenge for fundamental change in a corrupt, decadent and pseudo-independent society with a party that is more concerned about a respectable image than voicing the frustrations of its constituents exposing the evils and weaknesses of the present system and its proponent government, giving representation and clarified form to the aspirations of the people whose cause it purports to want to champion as it once did. That was when the central and only function, indeed, reason for existence was the defence and promotion of the principles of " Bread, Freedom and Justice." How is a man suppose to lead when he has to work with an executive some of whom make Government money by and while being in opposition when victimisation is a real problem for most other known supporters of labour. Others on the executive have as their main thrust, the novelty of being able to say that they

are advisors or participants in high level discussions, since everyone's right to participation and policy making in government is now cut off by the arrogance, privilege and secrecy of the U.W.P. Administration. Some are keen to prevent the emergence of any tendency, certainly before it reaches government level that might be overly enthusiastic about issues such as ethics, morality, accountability-in fact good government.

Most are fearful of youth, new ideas and change. Their quest is for a leader with office, energy and appeal to organise and win an election but no power, they would be happy just to see their party returned to power so that they could be sure of knowing someone in office from whom to elicit personal favours and ecstatic if strokes only paralyzed the left side. Yes a person can get tired of trying to keep the goal of winning politics in focus.

While Mr. Hunte is new to labour Party politics the championing of causes, the determined resistance to abuse of power, the fearless confrontation to state inflexibility, the mass protest, the platform vigour, the person identification with and embodiment of rank and file consciousness, executive concerns for avoiding issues and change while promoting the protection of its composition and avoiding critical self-analysis at all cost can sap the energy of the sturdiest like most steamy jungles, oppressive heat or drug potency can.

Given the reality of a moribund executive, it may be that the political leader unable to have taken a public stand on any significant issue simply had to seek some reassurance from the public. Well, enough said on that score without belabouring the obvious. There is also possibility of an unbridled ego problem but surely one would not expect mistakes so fundamental to be fuelled by what would in effect be a serious insecurity complex express by an obsessive need to be seen as a winner. If however the jealousy of school boy discovery politics and public posturing that passes for serious union

leadership in their need to show up membership dwindling by retrenchment must have the power of absolute control over a monolithic St. Lucia Union, a deal could well have been struck which would guarantee the forgoing in return for a promise of a strike free administration to boast of the kind of labour control and stability which attracts superpower favour.

The move to wrest union leadership from Josie may well for Hunte have been an attempt at preemptive strike to prevent the reemergence of the former as a serious political force and recurrent challenger for the leadership of the party especially since it is clear that Hunte has not yet been able to gain the support of Josie's rank and file following, and rumour of talks between Josie and Odium apparently has not met with the expected public disapproval. Rather an air of expectancy and acceptance of the inevitable surrounds the issue.

Desperation is another possibility for Hunte and his advisors to have announced claim to seventeen candidates whose names in the true fashion of the old-styled politics of bluff and non-openess to the public must surely indicate a certain lack of confidence at the very least a fear of being upstaged. What is the point of this defensive face to the public when fear of

not being able to win the Hunte's chosen Gros-Islet seat has prompted rumours unsettling to the incumbent Neville Cenac of a secret deal with the God Father to give Hunte the relatively safe Laborie seat. It is no secret that the step up visibility of the Foster-Josie alliance points to the possibility of a not too certain constituency group support for Hunte.

Finally it may be that Hunte, after all, was forced to show his serious claim to leadership by showing his ability to win the union leadership.

Whatever the reason, one thing is certain, Hunte's leadership of the St. Lucia Labour party is one, in search of the following. The present Government crisis and need to call elections in the face of the worsening economic and social climate might not afford him the time to build it, if at all that were possible. This serious error of judgement whose risks always far outweighed its benefits lays bare the leadership of the St. Lucia Labour Party to question and challenge. In the most serious democracies of the world one would have expected, even demanded, the resignation of Mr. Hunte, his advisors, agents and executive supporters. But this is St. Lucia, it always requires the direct forceful, and irreversible intervention of the people.

CSO: 3298/974

ST LUCIA

PLP ORGAN ASSESSES DOMINICA ELECTION RESULT, U.S. ROLE

Castries CRUSADER in English 6 Jul 85 p 2

[Editorial]

Foreign analysts are always quick to reach for the Domino Theory when dealing with the Caribbean. The Theory that political change in one country will cause similar changes in its neighbours is a very simplistic way of handling rather complex political and social situations. However the methodology of the sciences require that we seek a pattern of behaviour or a principle emerging out of the chaotic political data before us.

The results of the Dominica Elections is not likely to have disturbed the breakfast of President Reagan. Indeed the cumulative wishes of a hundred and fifty nations speaking at the United Nations on the Grenada Invasion failed to cause a ripple in the milk in his cereal bowl. But the White House might have been relieved that the Aging Iron Lady kept her temper despite her obvious metal fatigue.

Given the convenient distortions of the First-past-the post system of voting the Prime Minister of Dominica has savoured a victory at the polls but it borders more on

a Pyrrhic Victory. Admittedly in the context of Caribbean power-play there is no such concept as a Pyrrhic Victory. One Party wins and the other Party loses, the victorious Prime Minister will form the Cabinet within days of the victory. The Prime Minister Eugenia Charles somewhat hypocritically claimed to have routed the Communists with her 15-8 victory over the Dominica Labour Party of Michael Douglas and the allied UDLP under Rosie Douglas.

The statement was hypocritical because Miss Charles was acutely aware that the election did not turn on any contest between Communists and Capitalists. The People of Dominica are interested in the economics of survival and the credibility gap between deceptive promises and actual performance.

The Prime Minister's statement was further hypocritical because her victory at the polls did not prevent any of the so-called

"Communists" from taking their seat in the House of Assembly within firing distance of the battle-worn Boe-

dia. In fact the most significant result of the entire election is that for the first time in the history of East Caribbean politics there is a predominantly Progressive Left-wing Opposition lined up in Parliament against the ruling Party.

In cases like ST. Lucia when Progressives had occupied the Opposition benches they were invariably in a minority situation and conservative old-style Labour Party representatives diluted the confrontation on many issues. In the new Dominica Assembly the combined talents of the Douglas Brothers and the ex-DLP Representatives will certainly temper the metal of the Iron Lady. Perhaps it was this scenario which she envisaged which drove her to the desperate step of dissuading Dominicans living in Guadeloupe from returning to cast their ballot for fear of losing their return visas. It was a squalid bit of electioneering which exposed the Democratic credentials of the Prime Minister herself.

The election had many surprises when seen against the background of the 1983 Invasion of Grenada and the high-profile pivotal role that Prime Minister Charles played in these events. To persons who recalled the Darby- and Joan performance of President Reagan and Prime Minister Charles on American Television and the tumultuous welcome to Dominica on her return, the results must be very ominous. In less than two years the euphoria had dissipated so rapidly and the Alliance of the Opposition Forces had caught the

Imagination of Dominicans enough to make this election a keenly contested affair.

The Dominica Labour Party had the uphill task of fighting the propaganda against Opposition Alliances and the predictable charge of opportunism. It also had to face the lavish distribution of U.S. money which seems a common factor in Caribbean elections not worth of the media time which Miss Charles devoted to highlighting the sources and volume of Opposition funding. It had to face the fact that Miss Charles had no albatross of corruption hanging around her neck like some of her Eastern Caribbean colleagues. The Opposition also came up against the fact that a carefully orchestrated programme of road works and public works was organised and funded to offset the charge of non-performance against the Government. It also had to face the full barrage of anti-Communist propaganda. With all these negative influences it is surprising that the Labour Opposition performed so creditably.

The defeat of Ex-President Jenner Armour by Leftist Activist Rosie Douglas in a constituency where Armour was the incumbent is a feat of no mean order. This is especially so since Rosie Douglas was the butt of all the anti-Communist propaganda and was singled out by the forces of Reaction as the bete-noire of Dominican politics. To all those who tried to "wish away" the Leftists in the Caribbean after the Grenada Invasion this result was a timely reminder of the aphorism that a week is a long time in politics!

In a less ideological vein the victory of the Labour Party's ex-Prime Minister Patrick John has done much to neutralise controversial atmosphere surrounding his court case for plotting against the Government. His new position as a Representative in the Assembly could raise some nice constitutional problem. It is also instructive to note that Patrick John is the only member of the Old Brigade of former Labour Party stalwarts that has survived. Well-known figures like Oliver Seraphin and Vic Reid all fell by the wayside leaving a distinctly Progressive team in the House of Assembly.

If one is to apply the Domino Theory. St Lucia's Prime Minister should rush to the polls to avoid the cliff-hanger that Miss Charles experienced by waiting until the Opposition had consolidated to call elections. Perhaps the Opposition Forces in St Lucia might argue that the alliance was not effective enough to upset the Freedom Party and the Domino Theory would dictate a similar result in St Lucia.

The strongest signal coming out of the Dominica Elections is that there is a clear realisation among the Electorate of the bankruptcy of traditional Right Wing Capitalist politics and the electorate would endorse new Progressive faces that are prepared to work for change in the Economic and Political System. The Anti-Communist hysteria seems to have lost its appeal but the Dominicans have recognised and rewarded the honesty and courage of Mary Eugenia Charles and gave her marks for trying hard in difficult economic conditions.

CSO: 3298/974

ST LUCIA

LABOUR ORGAN REPORTS ON MILITARY EXERCISES, ELECTIONS

Military Exercise Announcement

Castries CRUSADER in English 6 Jul 85 p 5

[Text]

St. Lucia is to be the arena for the joint military exercise, involving O.E.C.S. countries, Jamaica, Barbados and the United States.

This startling revelation was made here this week by a Press Release issued from the Prime Minister's office.

The military exercise code name Exotic Palm, will take place on September 25, with Antigua, Barbados, Dominica, Grenada, St. Vincent and the Grenadines, St. Kitts / Nevis, Jamaica and the United States, with St. Lucia as the host country. Prime Minister John Compton is on record as saying that he does not like the emphasis on the military and that they wanted the Caribbean demilitarised, since the problems of the Caribbean are not military but social and economic. He is also on record as having told school children at the Mindoo Phillip Park, that he hopes that the time will never come in St. Lucia when they will awake to the sound of guns.

In April responding to a statement which was attributed to Rear Admiral Ralph Hughes Commander of the U.S. Forces in the Caribbean who was quoted as saying that the Eastern Caribbean contingent to take part in joint military exercises would be drawn from anti-terrorist units trained by the U.S. in the wake of the October 1983 invasion of Grenada.

Mr. Compton said, "I don't know, I don't know what we will be invited to... we've stated time and time again that we are very concerned about the militarisation of the Caribbean. We want it demilitarised. We don't like this emphasis on the military. Our problems are not military. They are social and economic and I believe that this is what we must look at."

Now that the United States has decided on St. Lucia as the venue, puppet Compton does not have the courage to tell the U.S. that the Caribbean must be demilitarised. Mr. Compton's rhetoric is undoubtedly his own ethics.

"The endorsement of the military exercises by our Prime Minister has demonstrated once again that Mr. Compton has no respect for the people of this country.

Mr. Compton believes that he has the God Given right to Bluff and mislead people. He thinks we have short memories. It is Mr. Compton's unprincipled position both at home and on the international scene, which have destroyed the credibility and self-respect of our people.

Mr. Compton has made double turns on almost every single issue. He has destroyed the moral and legal fabric of our society, and now he hands our country to the Yankees for military exercises. Compton MUST be stopped.

Compton 'Sneak' Election Plan

Castries CRUSADER in English 20 Jul 85 p 1

[Text]

When the United Workers Party was booted out of office in 1979 the defeated Prime Minister John Compton made heavy weather of the defeat. He ranted and raved about the elections being hijacked by the St. Lucia Labour Party. He never bothered to spell out the terms of the hijack but mumbled about the Labour Party scaring people away from the Ballot-box.

Now that three years of his new term of office has slipped by with all his large box of promises still unfulfilled, the United Workers Party is reaching for a new strategy to hold on to office for yet another five years.

With the economy of St. Lucia rock-bottom and the Government of John Compton clearly unable to pull anything out of the bag in terms of new jobs and improved living conditions the political climate is distinctly chilly for the ruling Party. The swing-of-the- pendulum support which moved in their favour following the split in the Labour Party has swung back against them sharply. There seems little hope of stopping the drift and the United Workers Party is now wracked by a different kind of problem - the succession to John Compton's leadership

With frustration mounting daily in Government financial circles, the Prime Minister has indicated that he is unwilling to carry on further with the mantle of leadership. The Party Executive considered the prospect of facing the Polls without its customary leader for the past twenty

years and many of the candidates didn't rate the Party's chances as being very high. Prime Minister Compton gave the Party the assurance that he would lead the Party into the next elections but he would resign after the elections - WIN OR LOSE.

A series of top-level Party meetings were held at the residence of Party Chairman Henry Giraudy and the Party agreed on a desperate gamble to hold on to power, if possible, for yet another term. The strategy is based on the fact that the two Opposition Parties are at present divided and that there is little chance of any serious consolidation of forces while Julian Hunte remains at the helm of the Labour Party.

The Party decided on an elaborate programme of Roadworks, projects, media coverage and visits by distinguished persons as a curtain-raiser for General Elections at anytime following the Queen's Visit in October. Party candidates were ordered to keep their respective constituencies warm and to organise as much media-coverage as possible to turn the tide of disaffection with the Party.

The Plan is to hijack the country into a General Election which is not constitutionally due until 1987. The sole rationale for the gamble being "to catch the Opposition Forces unprepared". Work on the Voters Lists is pretty far advanced and funds for "on stream" projects are being used with a view to getting some political mileage for the Party.

CSO: 3298/973

ST LUCIA

PLP ORGAN SEES U.S. PRESSURE IN CRACKDOWN ON DRUGS

Castries CRUSADER in English 27 Jul 85 p 2

[Editorial]

[Text]

The staccato speech of the Prime Minister tells a vivid tale of the nervousness and uncertainty of the ruling Regime. Not far away is the almost hysterical anxiety of the Attorney General when he bullies the public on new legislative proposals. This week the Attorney General levelled his sights at the Drug Trade. He claimed that the fine of Four Thousand Dollars imposed on the Drug offenders was certainly not a deterrent to them. They paid the fine easily. He plans a serious crack-down on drug-pushers and also drug-users. The maximum fine will soon be Fifty-Thousand dollars and there is a proposal which entails forfeiture of the land, vehicles and houses of persons found to be involved in the Trade. The Attorney-General is further looking into the possibility of interfering with the bank deposits of persons involved in the Drug-Trade.

Perhaps it is fitting that the Attorney General is congratulated for his courage and seriousness in grasping the nettle of handling the rapidly-expanding Drug-Trade, but given the singular lack of independence of the

Administration it is logical to assume that the initiative for this crack-down has come from the Drug Enforcement Agency (DEA) of the United States. When seen in this context the Attorney General finds his own water-level as a pawn in the hands of the United States. His efforts to control the trade must be seen as an extension of the work which the DEA has undertaken in both Latin America and the Caribbean. Of course this does not affect the desirability or otherwise of the proposed legislation but it underscores the point that the Compton Administration is taking its timing, its priorities and its emphases from the American Government.

Recent events in the Caribbean have focussed much attention on the erstwhile secret operations in the Drug War. The arrest of Chief Minister Saunders of the Turks and Caicos Island for allegedly receiving money in exchange for the use of the Turks and Caicos as a transit for the Drug Trade, has literally set the cat among the pigeons. Much valuable information has surfaced about the involvement of the Caribbean persons in the exten-

sive and lucrative drug racket. The U.S. Drug Enforcement Agency is privy to some explosive information about drug-trafficking in the Caribbean which might well topple some Caribbean Governments and raise eyebrows all over the Caribbean. St. Lucia is certainly not excluded from the transcripts and in the case of the Eastern Caribbean the names of some prominent persons in the respective islands have been cited.

In the wake of these startling intimacies the question arises whether some Caribbean Governments are not being black-mailed into taking punitive action against drug-pushers and drug-users as a "quid-pro-quo" for saving their own necks, and avoiding the exposure of key persons in our respective communities. If this is the case then we can perceive the new drug laws as an instance of a good or bad action being taken for a bad reason. Implicit in this formula is the age-old dilemma of the Caribbean Government hypocritically moving to harass the small man when the main predators and offenders go scot-free. In St. Lucia there has always been a fundamental weakness in the official handling of drug-users and drug-abusers. The weakness lies in the complicity of the Police in the drug trade. We have seen the Police shamelessly bargaining with well-known drug-dealers involved in the machinery of justice with a view to gaining legal representation for the Police in exchange for acquittals on drug charges. This is itself a travesty of justice which the proposed laws will not rectify.

The Attorney General himself, in presenting his tough package of laws to the public comes over as

a stern, curled-up Fundamentalist bent on flogging sex offenders, dispossessing drug users, and expelling non-St Lucians who express contrary views from our shores. It is, to say the least, disturbing to note that this moral autocracy and fundamentalist sternness derives from one who himself borders on moral turpitude in an over-indulgence in drink and a predilection for irrational behaviour in public when under the influence of drink. Immediately the question comes to mind whether the Government has the moral legitimacy to insist on such laws.

The new Drug Laws are unmistakably draconian. It is a serious bit of legislation when a man can lose his estate, his vehicle or his house on the basis of complicity in drug dealing. But tough laws can be effective in a community if these laws are handled in a fair and even-handed manner. The history of the Compton Administration unfortunately reveals a clear inability to handle tough laws with responsibility and equity. A Government that has blot its copy-book so badly in the Yamaha Affair cannot be trusted to handle the new drug laws with equanimity. A Government that has shown itself to be vindictive and vicious in the Dave England Affair clearly has not the equipoise to handle the new drug laws. A Government that has covered-up the criminality in the Copragate Affair has not the legitimacy to hound drug-dealers.

St. Lucians will be ambivalent about the proposed drug laws. They will see the necessity for containing the drug trade but they are suspicious of the motives of the Government in promoting these laws.

ST LUCIA

BRIEFS

POLICE RESERVE REORGANIZATION--The Special Reserve Unit of the St Lucia Police Force is being reorganized, according to Acting Commissioner of Police, Andrew Frederick. He says that the committee charged with the task of making the Unit viable again had already had its report approved by Cabinet. Frederick says that Superintendent of the Special Reserves, Oliver 'Smokey' Charles is now meeting individual reserves and to enlist the more serious ones for active service which had been lacking for some time. He points out that the Special Reserve Unit had to be investigated and reorganized because some members had not been acting within the original objectives of the organisation and were exploiting it for profit. Another reason for the reorganisation, says the Acting Commissioner, was to end dissatisfaction and contention within the ranks brought about by the full time employment of some Special Reserves in an effort to fill the shortage of regular policemen. Frederick says that development saw members of the unit feuding among themselves and becoming unreliable. He says that one recommendation of the reorganisation committee was to trim-off those members who have been inactive or showed little interest in the past. "Much of the work has been done. It's just a question of finalising the situation," he says. [Text] [Castries THE WEEKEND VOICE in English 3 Aug 85 p 3]

TEACHERS' DISPUTE WITH GOVERNMENT--Over five hundred (500) teachers gathered at the Corinth Junior Secondary School to attend the Annual General Meeting of the St Lucia Teachers Union on Friday, Jul 19, 1985. The Branches of the Union unanimously supported the Annual Report as presented by the National Executive while at the same time condemning the government on five counts: 1--Government's discriminatory nature towards pregnant unmarried teachers; 2--Government's slow implementation of the Collective Agreement signed November 1984; 3--Government's violation of clauses as signed in the Collective Agreement; 4--The abuse of teachers and other public servants as meted out by the employer-government; 5--The insufficient amount of school material as given by government every year. The meeting also came to the conclusion that the education system needs revising and teachers should upgrade not only their qualifications but also their level of professionalism. The leadership of the Union was empowered to set up a group insurance policy for its members. The morning session of the meeting was witnessed by members of the Canadian Teachers Federation (CTF). [Text] [Castries CRUSADER in English 27 Jul 85 p 11]

CSO: 3298/975

ST VINCENT AND THE GRENADINES

COLUMNIST OFFERS ASSESSMENT OF NDP'S FIRST YEAR IN OFFICE

Kingstown THE VINCENTIAN in English 26 Jul 85 p 4

[Ken John column "This Week": "Government One Year Old"]

[Text]

BUTTER NOT GUNS

There is no particular magic about a period of one year. But it does offer a convenient time frame in which trends can be picked up and the general direction gauged. It is in this sense that we venture an assessment of the first year of the N.D.P. Government.

On the very day that their victory was announced the new Government ordered the Barbadian gun-boat, "Trident", to leave its waters where it had been lurking, for whatever reason. By the following day the new Prime Minister, James Mitchell, ordered that the American-trained

"Green Berets" move back into normal police gear and stop trampling through the place like an army of occupation. Caricom partners were soon sent signals to indicate that the new Government frowned on the deepening militarisation of the region

and though little of security pacts and the like which dealt with the symptoms (civil unrest) rather than with the root causes (dire poverty) of the social malaise. The message was crystal clear: the N.D.P. Government was putting butter before guns.

Within his first year, the Prime Minister threatened to make good his promise that our nation would move into the front seat of the Caricom process. It is early days yet, but Press and other reports coming out of the regional meetings attest to the prominent position which Mitchell has already carved out for himself. Nor has the Prime Minister lacked the moral courage to go out on a limb on matters of principle, as witness his stand on the L.I.A.T. issue where he is sure to enjoy the last laugh.

The new Government is deliberately carrying a low profile in the international arena. Apparently, the line is that small impoverished countries should be seen but not heard too much, since in the absence of economic muscle they

cannot throw political clout. No point in sounding off your mouth if there is neither money nor weapons to back it up. Such a stand can, of course, be overdone, and this is one area in which the N.D.P. would be advised to modify its stance.

HOUSE—CLEANING
AND—KEEPING

On the home front, the Government embarked on a national house—cleaning campaign. Heads fairly rolled: at the National Commercial Bank, the Arrowroot Association, the Central Water and Sewerage Authority, the Port. Many of the dismissals stemmed from investigative reports done by independent bodies, in one or two instances set up by the previous Labour administration.

In fact the N.D.P. set up a number of Committees, including the Venner Committee on Public Sector spending which has already reported, as has the flag committee. The constitution Committee would shortly make its submission, while a committee on the re-introduction of local

Government has recently been appointed. Another committee has been working on a code of conduct for broadcasters. All of which testifies to the serious and businesslike manner with which the new Government has set about its tasks.

There has been a commendable political hands-off policy in regard to the running of statutory bodies which contain no parliamentarians on their various boards. And while it is true that there have already been some changes, the chairmanship of these boards was generally committed to bright young men: Junior Baynes at Philatelic; Monty Maule and Calvert Samuel at Water Authority; St. Claire Leacock at Marketing Board; Parnel Campbell at the Electricity Services. The recruitment of Arnhim Eustace as Director of Planning and Jeff Providence as Manager of Development Corporation are further feathers in the cap of the Government.

FREEDOM NOT FREENESS

In the general area of economics the Government set about to plug leaks in its revenue—earning departments, especially at the Port and at Inland Revenue which has of late adopted a no-nonsense attitude. There has been much cutting of waste and fat. Stone-mills were shut

done, the Hairoun Star sold, the sugar industry closed down. Naturally, such an approach has attracted a great deal of harsh criticism, but one must break eggs if one is to make an omelette.

Probably the most biting attack comes from those who declare that the N.D.P. is another big-man party. It is noted, for example, that in its first budget the promised taxable flooring of \$10,000.00 was halved to \$5,000.00 whereas the business community got the whole hog with the complete removal of the three per cent turn-over tax. Moreover, the incidence of the high consumption duties falls squarely on the shoulders of the small man, already badly underpaid or unemployed, who additionally has to meet escalating water and electricity rates.

The Government may well answer that in their economic philosophy the private sector is to be encouraged as the engine of growth. In which case, they had better entertain second thoughts and rebuild both the public and cooperative sectors to take up the enormous slack in the economy. History is not on their side.

Overall though, the Government has been on the right track in adhering to strict financial house-keeping and imposing its

own temporary austerity programme rather than allow itself to slip into the permanent debt trap of the I.M.F. which is the stark alternative.

The take-over of Orange Hill, the winter vegetable project earmarked for abandoned sugar-cane lands, the industries coming on stream at Campden Park, and the promise of increase tourism, all augur well for the future economic well-being of this country.

During its first year, the Government recorded other pluses. There has been more freedom in the society, more open Government, better treatment of opposition forces. Spokesman for three opposition groups were invited to say their piece on the controversial Orange Hill issue on the Government owned Radio Station. Ex Prime—Minister Cato has retained his diplomatic passport, and was part of an official delegation to Tom Adams' funeral. Junior Cottle was released after spending over eleven years behind bars. Calypsonians are "free to sing social commentary."

Altogether, it has been a sound, though not spectacular performance. It was a year of searching for its way and finding its feet. We await the consolidation and take-off of phase two, beginning with the second budget next week.

ST VINCENT AND THE GRENADINES

THRONE SPEECH MARKS 30 JULY OPENING OF PARLIAMENT

Kingstown THE VINCENTIAN in English 2 Aug 85 p 11

[Text]

Mr. Speaker,

Honourable Members of the House of Assembly.

The last occasion which I spoke in this Honourable House I occupied the Speaker's Chair. Today, in a different capacity, as representative of Her Majesty the Queen I have the honour and the distinction to read the Throne Speech at this opening of the Second Session of the Third Parliament.

Her Majesty Queen Elizabeth II, Queen of St. Vincent and the Grenadines and the Duke of Edinburgh have accepted the invitation of my Government to visit St. Vincent and the Grenadines on the 6th Anniversary of our Independence.

My Government will honour our commitments to the Caribbean Community and will as far as possible implement the Nassau Understanding designed to stimulate regional economic growth and trade, agreed to before my Government took office.

This year is the 40th Anniversary of the founding of the United Nations. The existence of the United Nations has made possible the independence of small countries such as ours. We will therefore participate in the recognition of this 40th Anniversary.

My Government will continue to pay special attention to relations with Canada, the United States, the European Economic Community, and Latin America. My Government has accepted the invitation to pay an official visit to Columbia, from where investment opportunities in our country can emanate. We will seek to promote peace wherever possible, and maintain relations with all countries which are capable of assisting economic development in St. Vincent and the Grenadines.

My Government condemns apartheid in South Africa and will maintain its policy in this regard.

My Government has been accepted into full membership of the Commonwealth and will assume this status in Nassau this year.

Honourable Members of the House of Assembly.

Estimates for the Public Service will be laid before you.

My Government will continue to pursue the policy of balancing its accounts, both in the central administration and in the public sector bodies and will aim to produce surpluses for capital expansion and the relief of unemployment.

My Government will consolidate its fiscal management and the strategies for development which were well received by the international donor community in Washington, and which have provided the impetus for increased flows of capital into our community. Both the

public and private sectors will be provided new opportunity for development.

My Government will introduce legislation governing Fishing, Education, Water, and the Port.

Legislative action will also be introduced to regulate banking and insurance companies.

My Government is concerned about the maintenance of Law and Order, and the safety of persons travelling on land, sea, and air. Legislation will accordingly be brought before you dealing with the Police, transport by land and sea, the Criminal Code and Procedure.

An Act for the incorporation of the Centre for the Performing Arts will be introduced, along with the National Sports Council. The International

Year of the Youth has been recognised.

Local Government will be instituted after the Committee on Local Government has reported.

Information services will be upgraded with financial and technical assistance from international agencies. A code of broadcasting will be promulgated.

My Government will move in new directions in agriculture and make diversification into intensive land use a reality, with new crops like winter vegetables, and the securing of new markets.

My Government will foster the organisation of an Agricultural Society.

The development of the health service will receive new impetus with the funding received from the European Economic

Community for the new Operating Theatre and Intensive Care Unit in the Kingstown General Hospital. Family Planning will receive priority.

Legislation to incorporate various public organisations will be entertained.

My Government proposes to stimulate the widest possible discussion on the repeal of the death penalty.

Other measures will be laid before you.

Honourable Members of the House of Assembly

I PRAY THAT THE
BLESSING OF
ALMIGHTY GOD MAY
REST UPON YOUR
COUNSELS.

I now declare the Second Session of the Third Parliament duly open.

ST VINCENT AND THE GRENADINES

GOVERNMENT APPOINTS COMMITTEE ON LOCAL GOVERNMENT

Kingstown THE VINCENTIAN in English 12 Jul 85 p 3

[Text]

A Committee has been appointed by Cabinet to recommend the most appropriate form of Local Government for St. Vincent and the Grenadines. It was launched last Friday morning by Jerry Scott, the Minister of State responsible for Local Government.

The following persons have accepted the invitation to serve on the Committee:

Dr. Kenneth John — Chairman, Mr. Ardon Graham, Senator M. Hutchinson and Messrs C.O. King, Cecil Mc. Intosh, Leonard Providence, Adrian Sanders and C.A. (Blazer) Williams.

The terms of reference of the Committee are:—

1. To recommend, after due process of consultation, the most appropriate form of Local Government for St. Vincent and the Grenadines.

2. In the context of the foregoing, to make recommendations for:—

(a) The level or levels of decentralization of government in various parts of the State;

(b) The scope of services required, particularly with regard to the indigenous sources of revenue;

(c) Electoral areas and systems, and the periods of tenure of the various local authorities;

(d) The relationship between the Central Government and the Local Authorities.

3. To consult with the Legal and Constitutional Committee with a view to having the relevant amendments incorporated in the Constitution.

The Committee has already met and discussed certain matters pertaining to its functioning. It will meet again on 24th July at 4.30 p.m.

ST VINCENT AND THE GRENADINES

MITCHELL WANTS GUYANA OUT OF ECF, CRITICIZES CARICOM TRADE

Kingstown THE VINCENTIAN in English 12 Jul 85 p 11

[Article by Ellis Ollivierre]

[Text]

St. Vincent and the Grenadines is one of the caricom countries pressing for the positive exclusion of Guyana, under the export credit facility, the ECF is a new system of settling inter governmental payments, which emerged from the heads of government summit, to replace the suspended Caricom multi lateral clearing facility. St. Vincent and the Grenadines Prime Minister James Mitchell, in an interview with the Caribbean Broadcasting Corporation last week gave several reasons for his country's position. He told CBC that "Guyana doesn't seem to have any money to revive the Caricom multi lateral clearing facility (CMCF) and the CMCF cannot carry on, until there is some kind of payment given on the interest of outstanding amounts." Talks on the export trade facility was one of the main topics of discussion by the 12 heads of government at

the Sam Lord's Castle Summit in Barbados. On the question of Guyana's inclusion in the new system, Mitchell said any new facility cannot include those who are in default under the old system. The CMCF collapsed in April 1983 and at that time it exceeded the one hundred million US dollars credit with Guyana owing fifty five million united states dollars. This question of re-starting the facility without the South American Republic was one of the fundamental issues which occupied the attention of the Republic leaders.

St. Vincent and the Grenadines Prime Minister Mitchell, told his Caribbean counterparts, that Caricom has done insufficient for St. Vincent and the Grenadines and the Caribbean generally. He said the demand for arrowroot, St. Vincent's main export crop had deteriorated, and some

unfair extra regional competition which could have been obviated by protection in marketing conditions within Caricom had contributed.

Nevertheless, Mitchell is satisfied with the promise achieved at the meeting and says St. Vincent and the Grenadines stands to benefit from measures adopted at the summit. The Prime Minister told reporters in Barbados that his main concern were relations with the European Development Community (EDC), funding for regional projects and for transit facilities through international airports.

Mr. Mitchell said arrangements in regard to facilities at the airports are being made with St. Lucia but an agreement is still to be finalised with Barbados.

The St. Vincent Prime Minister also wants to communicate more with Trinidad and has held wide ranging bi-lateral discussions on a number of issues.

ST VINCENT AND THE GRENADINES

RURAL DEVELOPMENT ORGANIZATION'S ACTIVITIES REPORTED

Formation of Loan Committees

Kingstown THE VINCENTIAN in English 5 Jul 85 p 12

[Text]

The Organisation for Rural Development has created rural loan advisory committees to support at the village level, the agricultural inputs revolving loan fund. The revolving loan fund is a service provided by ORD to small and low income farmers, that allows them to purchase farming materials on credit.

The Loan Advisory committee is a group that has just been formed to oversee and monitor the use of loans, assist in the collection of loan repayments and review the credit worthiness of farmers applying for loans. The committees include 5 - 7 persons selected jointly by ORD and the farmers themselves.

These committees are located in the 26 villages of ORD's involvement. They will meet fortnightly

and maintain the standard and format outlined by ORD. All loan applications must be filled out before loans are granted; and they must be recommended by the field representatives. A two-day training session was held at ORD's office for the farmers who have been selected to serve on the committee.

These loan committees are a part of ORD's continuing programme for the education and development of rural farmers. The exercise imparts a sense of responsibility, group communication skills, and techniques for planning and following the decision-making process.

Activities such as these are part of ORD's method of projecting a participatory approach to development.

Kingstown THE VINCENTIAN in English 2 Aug 85 p 3

[Text]

In a meeting held on Friday July 28, 1985 the Central Committee of the Organisation for Rural Development unanimously reconfirmed that ORD's Organisational Plan for 1985-86 would place direct emphasis on market development, staff skills training and building the organisation's plan for self reliance. These objectives tie into the framework for the new Integrated Management, Production and Marketing Project.

The Central Committee is the policy making body of the Organisation. It comprises an elected body plus field coordinator and is chaired by the Chief Coordinator, Jethro Greene. This committee meets quarterly.

CSO: 3298/976

SURINAME

BOUTERSE DENIES PLANS TO KILL OPPOSITION LEADER HAAKMAT

The Hague ANP NEWS BULLETIN in English 16 Aug 85 p 1

[Text]

Paramaribo/The Hague, August 15 - Surinam's military ruler Desi Bouterse last night denied reports his henchmen were about to assassinate exiled liberation council president Henk Chin A Sen. and suggested he had more to fear from the American Central Intelligence Agency.

Lieutenant Colonel Bouterse told a press conference Surinam's former president, heading a movement of exiles in the Netherlands dedicated to his overthrow, was known to have accepted money from the CIA.

'People who receive CIA funds and do not achieve their goal are in danger and I would advise Chin A Sen to look after his safety', he said after describing him as 'once my best friend whom I liked as president'.

Bouterse said the authorities in Paramaribo were taking a 'very serious' view of Dutch press allegations that Surinam had sent murder squads to the Netherlands to liquidate the president of the Surinam Liberation Council.

In view of the seriousness of the allegation the Dutch ambassador in Paramaribo Dirk van Houten had been summoned to the foreign ministry and given a memorandum seeking a written report from the Dutch government, he added.

Foreign Visits

He emphasised that Surinam would 'not harm a hair on the head' of Chin A Sen. He does not pose a threat to us and would be well advised to seek even more protection from the Dutch security service (BVD) than he is getting, he added.

In reply to questions Bouterse denied having any ambition to become president on November 25 when Surinam will celebrate the 10th anniversary of its independence.

'If I had any such aspirations I would have become president in 1980', he said, referring to the year in which he assumed power in the former Dutch colony.

He also denied that a compromise would be announced on November 25 with Surinam's traditional political parties.

But he admitted that the current dialogue with former Prime Minister Henk Aron and with Jaggernath Lachmon, a Hindustani leader and one of the

country's most prominent political leaders before the 1980 coup, would be continued.

Bouterse said he would visit Argentina at the invitation of President Raoul Alfonsin in November and Panama at a date still to be fixed. One of the subjects down for discussion in Buenos Aires was possible economic aid to Surinam, he added.

Venezuela's former President Carlos Andres Perez is expected to visit Surinam in November, he said.

CSO: 3200/53

URUGUAY

SOVIET PURCHASES UNDER EXPECTED LEVELS

Montevideo BUSQUEDA in Spanish 27 Jul 85 p 13

[Text] The Soviet Union agreed to send a trade mission in August or September at the latest, to boost purchases in Uruguay.

The decision was incorporated into the final document of the Mixed Commission meeting, which was held last week in Moscow. At that meeting, Uruguay declared its desire for the Soviet Union to purchase more. Not only has the Soviet Union not met the targets set forth at the previous meeting of the Mixed Commission, but its purchases have fallen below normal levels.

It should be noted that in 1979, the USSR bought \$12.07 million worth of goods, a total which rose in 1980 to \$48.27 million and in 1981 to \$66.88 million. In 1982 a peak of \$78.63 million was reached, and then purchases declined to \$61.89 million in 1983 and \$45.70 million in 1984.

It should also be pointed out that at the end of the first quarter of 1985, all Soviet purchases totaled just \$19.72 million. The Uruguayan delegation expressed the desire to enforce the agreement that had been signed during the previous round of negotiations, which called for expanding the overall volume of bilateral trade. It was stated that Uruguay is trying to increase its purchases at this time as well.

Wool Purchases Down

The main purchases by the USSR are in the wool sector (it buys almost exclusively grease wool). At the end of the second quarter of the 1984/1985 season, according to the Department of Information and Economic Research of the Uruguayan Undersecretariat for Wool, the USSR bought wool valued at \$22.79 million less than during the same period of the previous season.

The figures released indicate that between 10/1/84 and 3/31/85 the Soviet Union bought \$16.23 million worth, while the figure for the same period of 1983/1984 was \$39.04 million. In the present season, \$15.59 million worth of grease wool was purchased, while that raw material export totaled \$38.90 million in the previous season.

General Decline in Sector

It is noteworthy that this drop in Soviet purchases has played a key role in the general decline of wool sales, which totaled \$53.70 million less than last year's total.

Total sales between 10/1/84 and 3/31/85, according to the aforementioned source, amounted to \$106.92 million. During the same period of the previous season, sales totaled \$160.62 million.

The fall in grease wool sales between the two seasons amounted to \$33.62 million. The decline in tops sales between the last season and this one amounted to \$12.57 million; that of scoured wool totaled \$2.16 million. Exports of fabrics, threads and waste products were down \$3.08 million, while knitted fabrics and clothing registered the only increase: \$500,000.

8926

CSO: 3348/902

URUGUAY

CONSUMER PRICE INDEX ROSE 9.08 PERCENT

Montevideo BUSQUEDA in Spanish 25 Jul 85 p 18

[Text] According to data gathered in the first 3 weeks of July, and assuming that these average prices remain constant until the end of the month, the BUSQUEDA Consumer Price Index (IPCB) has risen by 9.08 percent over the June average (the IPCB base period).

The increases in the major categories and their proportion of the change in the general index are depicted in the chart below.

The principal changes in the major categories with respect to the initial estimate--2 weeks (BUSQUEDA No. 289--are the following:

--In the Food category, increases began in the meat subsector (3.74 percent), and the increase in fruits and vegetables was confirmed (4.40 percent).

--In the Clothing category, the appearance of new informants with lower prices than those of the first 2 weeks curbed the trend in men's and women's clothing prices that was seen in the first estimate.

--In the Housing category, the rise was due primarily to the Rental subsector (5.5 percent) as a result of the adjustment in old leases. No new leases were recorded, according to real estate sources, because of the uncertainty about future rental regulations.

Note: The readers are reminded that in the IPCB, though the same weighting factors are used as in the General Directorate of Statistics and Census (DGEC) at the subsector level, the composition of the basket, the quality of the items in question, and their weighting within each subsector are not necessarily the same.

	% Change	Proportion
Food	8.79	3.50
Clothing	4.15	0.44
Housing	7.04	1.52
Miscellaneous	12.91	3.62
Total	9.08	9.08

8926

CSO: 3348/902

URUGUAY

EXPORTS DROP 22 PERCENT COMPARED TO 1984 FIGURES

Montevideo CRONICAS ECONOMICAS in Spanish 22-29 Jul 85 p 3

[Text] Uruguay exported US \$377 million worth of goods in the first 6 months of this year. This figure is particularly disappointing, considering that it represents a 22 percent decline from the same period of 1984, when products valued at US \$459 million were sold abroad.

CRONICAS ECONOMICAS obtained these data from the monthly report that the Bank of the Republic sends to different government agencies.

The aforementioned amount confirms what we stated in this weekly last week, to the effect that it would be very difficult to achieve the \$175 million trade surplus projected for this year by the Ministry of Economy and Finance.

This drastic plunge of sales abroad was accompanied by a no less drastic fall in imports.

Although February is the last month for which figures are available in this category, it can be asserted that the country's foreign purchases should amount to approximately \$359 million, if we bear in mind that Luis A. Faroppa stated when he visited our weekly (CRONICAS No. 205) that the balance of trade as of 30 June this year yielded a surplus of \$18 million.

Our country will certainly not be able to export as much as \$800 million in goods this year, compared to 1984's \$924.6 million.

These figures clearly reveal a rather gloomy outlook for the national economy in 1985. It must be recalled that the trade surplus will be used to eliminate part of the budget deficit, and the rest of the deficit will be paid for with fresh resources obtained abroad after the renegotiation of the foreign debt.

If the \$175 million trade surplus is not attained (and it appears to be an increasingly distant target), and if more support is not obtained from foreign loans (a prospect which appears even less likely at present), the government's deficit will have to be covered by printing money, or in the best of cases, by expanding the domestic debt through public bond issues.

This situation would obviously lead to a sharp upsurge in inflation, which would wipe out another of the expectations or guidelines for running the economy, an inflation rate of 60 percent this year.

The only option, therefore, is to resolve the issue of the private business debt quickly, on the one hand, and on the other hand, to implement and accelerate all measures to reactivate the export production sector. Over a period of 5 months, this would at least partially alleviate our trade slump.

Moreover, the country will need to import more in order to propel this recovery. That is another obstacle to achieving the desired surplus, so we must anticipate all the repercussions of this situation.

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END